

WASHINGTON STATE
B A R A S S O C I A T I O N

Board of Governors Meeting
Meeting Materials

September 22-23, 2022
Courtyard Seattle/Bellevue Downtown
Bellevue, WA
Zoom and Teleconference



**Board of Governors Meeting
Courtyard Seattle Bellevue/Downtown, Bellevue, WA
SEPTEMBER 22-23, 2022**

WSBA Mission: To serve the public and the members of the Bar, to ensure the integrity of the legal profession, and to champion justice.

ALL ITEMS ON THIS AGENDA ARE POTENTIAL ACTION ITEMS

To participate: Join via Zoom or Call 1.888.788.0099

Thursday, September 22nd, Meeting ID: 834 9443 4117 Passcode: 382289

<https://wsba.zoom.us/j/83494434117?pwd=V0xWNHMxVU14U25LMmtrR1BkaS93dz09>

Friday, September 23rd, Meeting ID: 884 7334 6549 Passcode: 293527

<https://wsba.zoom.us/j/88473346549?pwd=L0c5U3EzcEJwWUtTcnV4TFF4dGNBZz09>

THURSDAY, SEPTEMBER 22, 2022

9:00 AM – CALL TO ORDER & WELCOME

CONSENT CALENDAR

A governor may request that an item be removed from the consent calendar without providing a reason and it will be discussed immediately after the consent calendar. The remaining items will be voted on *en bloc*.

- Approve July 21-22, 2022 Board of Governors meeting minutes 6
- Approve August 13, 2022 Board of Governors special meeting minutes (ETHOS) 18
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- Approve Extension of the Charter of the Equity & Disparity Workgroup 74

PUBLIC COMMENT

MEMBER AND PUBLIC COMMENTS

Overall public comment is limited to 30 minutes and each speaker is limited to 3 minutes. The President will provide an opportunity for public comment for those in the room and participating remotely. Public comment will also be permitted at the beginning of each agenda item, at the President’s discretion.

STANDING REPORTS

- PRESIDENT’S REPORT** 76
- EXECUTIVE DIRECTOR’S REPORT** 78
- REPORTS OF STANDING OR ONGOING BOG COMMITTEES**
Committees may “pass” if they have nothing to report. Related agenda items will be taken up later on the agenda. Each committee is allocated, on average, 3-4 minutes.
 - Executive Committee, Pres. Brian Tollefson, Chair
 - APEX Awards Committee, Gov. Hunter Abell, Chair
 - Personnel Committee, Gov. Carla Higginson, Chair
 - Legislative Committee, Gov. Brent Williams-Ruth, Chair
 - Nominations Committee, Gov. Lauren Boyd and President-elect Dan Clark, Co-Chairs
 - Equity and Diversity Council, Gov. Sunitha Anjilvel, Co-Chair
 - Long-Range Strategic Planning Council, Pres. Brian Tollefson, Chair
 - Member Engagement Council, Treas. Bryn Peterson and Gov. Francis Adewale, Co-Chairs
 - Budget & Audit Committee, Treas. Bryn Peterson, Chair
 - Equity & Disparity Workgroup, Gov. Alec Stephens, Chair
 - Supreme Court Bar Licensure Task Force, Gov. Williams-Ruth, BOG Rep.
 - TAXICAB, Immediate Past Pres. Kyle Sciuchetti

SPECIAL REPORTS

- COVID-19 REPORT BY KING COUNTY PUBLIC HEALTH** Program Manager for King County’s COVID-19 and Health Equity Training and Capacity Building Program Becky Reitzes

AGENDA ITEMS & UNFINISHED BUSINESS

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 - Approve Revisions to Fiscal Policies and Procedures205
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- ABA ANNUAL MEETING REPORT** ABA Delegate John Felleisen

SWEARING IN OF OFFICERS AND GOVERNORS

- HONORING OF OUTGOING GOVERNORS & OFFICERS**
- SWEARING-IN OF FY23 WSBA TREASURER FRANCIS ADEWALE**
- SWEARING-IN OF FY23 WSBA PRESIDENT-ELECT HUNTER ABELL**
- SWEARING-IN OF FY23 WSBA PRESIDENT DAN CLARK**
- SWEARING IN OF WSBA GOVERNORS**

5:15 PM – RECESS

FRIDAY, SEPTEMBER 23, 2022

9:00 AM – RESUME MEETING

AGENDA ITEMS & UNFINISHED BUSINESS CONTINUED

- APPROVE ETHOS REPORT** LM
- LLLT BOARD PROPOSED AMENDMENT TO APR 28** Chair Nancy C. Ivarinen, Vice Chair Jennifer Bull, Innovative Licensing Manager & Regulatory Counsel, RSD Jonathan Burke406

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- ANNUAL DISCUSSION WITH DEANS** University of Washington Dean Tamara Lawson, Gonzaga University Dean Jacob Rooksby and Seattle University Dean Anthony E Varona..... LM

11:45 AM – RECESS FOR LUNCH

CLE PRESENTATION

- (UN)WELCOME TO THE BAR! CHALLENGING ASSUMPTIONS AND DECISIONS TOWARD A MORE WELCOMING PROFESSION,** Judge David Keenan and Commissioner Jonathon Lack

1:30 PM – RECESS

2:00 PM – RESUME MEETING

WASHINGTON STATE BAR FOUNDATION ANNUAL MEETING

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5:00 PM – ADJOURN

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WASHINGTON STATE BAR ASSOCIATION

BOARD OF GOVERNORS MEETING MINUTES

Tacoma, WA
July 21-22, 2022

Call to Order and Welcome ([link](#))

The meeting of the Board of Governors of the Washington State Bar Association (WSBA) was called to order by President Brian Tollefson on Thursday, July 21 at 10:15 AM. Governors in attendance were:

Hunter Abell
Francis Adewale
Sunitha Anjilvel
Lauren Boyd
Pres. Elect Daniel D. Clark
Matthew Dresden
Carla Higginson
Tom McBride
Treas. Bryn Peterson
Serena Sayani
Alec Stephens
Brent Williams-Ruth

Also in attendance were MCLE Board Chair Todd Alberstone, CPD Emeritus Member Professor Bob Boruchowitz, Jon Burke, Executive Administrator Shelly Bynum, Meng Li Che, Michael Cherry, Chief Disciplinary Counsel Doug Ende, Volunteer Engagement Advisor Paris Eriksen, Gov. Elect Kevin Fay Nancy Hawkins, Associate Director for Regulatory Services Bobby Henry, Chief Outreach Specialist Michael Kroner, Finance Director Tiffany Lynch, Sections Programs Specialist Carolyn MacGregor, Rajeev Majumdar, Executive Director Terra Nevitt, Chief Communications Officer Sara Niegowski, Gov. Elect Nam Nguyen, Broadcast Services Manager Rex Nolte, Communication Strategies Manager Jennifer Olegario, Gov. Elect Kari Petrasek, Advancement Director Kevin Plachy, Educations Program Manager Shanthi Raghu, Law Clerk Board representative Leone Reinbold, Equity and Justice Specialist Saleena Salango, Kim Sandhar, CPD Vice Chair Jason Schwarz, Immediate Past President Kyle Sciuchetti, General Counsel Julie Shankland, Chief Equity & Justice Officer Diana Singleton, Chief Culture Officer and Human Resources Director Glynnis Klinefelter Sio, Regulatory Services Specialist Katherine Skinner, CPD Chair Travis Stearns, Member Services and Engagement Manager Julianne Unite, and Anne Watanabe.

Consent Calendar ([link](#))

Pres. Tollefson asked if anyone wished to remove an item form the consent calendar. Gov. Clark moved for approval of the consent calendar. Motion passed unanimously. Govs Abell, Higginson and Sayani were not present for the vote.

Member & Public Comments ([link](#))

There was a comment from someone that indicated that they were there to listen. Brief discussion followed regarding whether they were at the correct meeting.

President's Report ([link](#))

Pres. Tollefson reported on his participation with the Inns of Court and the ALPS Bar Leaders Conference in Missoula, MT.

Executive Director's Report ([link](#))

Executive Director Nevitt provided an update on the process to examine the bar structure (ETHOS), noting that the next meeting will occur on Saturday, July 22, which will be the second all-day, public input meeting. She noted that the Board will be reaching conclusions on the three questions at the August 13 meeting and will also need to decide what form the final work product will take. She reported that the bar exam will be held in Yakima, WA for the first-time next week, noting the health and safety protocols in place. She also reported on Listening Tour stops in Central Washington and the discussions that occurred.

Pres. Tollefson shared his takeaways from yesterday's meeting with members of the Pierce County judiciary.

Reports of Standing or Ongoing BOG Committees ([link](#))

Executive Committee. Pres. Tollefson reported on the most recent Executive Committee meeting.

APEX Awards Committee. Gov. Abell reported that the award recipients for this year have been selected, notified, and are posted on the website. He encouraged participation in the virtual awards ceremony, which is scheduled for September 22, 2022.

Personnel Committee. No report.

Legislative Committee. No report.

Nominations Committee. Gov. Boyd reported that the committee has continued to do its work to make appointments and improve the appointment process. She expressed appreciation for the staff support provided by Paris Eriksen.

Diversity Committee. Gov. Anjilvel reported that the Diversity Committee co-hosted the ARC reception with Seattle University Law School this week.

Long-Range Strategic Planning Council. Pres. Tollefson reported the council has been exploring what it would look like to make deskbooks free to membership and anticipates bringing a recommendation to the Budget & Audit Committee and then the full Board. He also reported on the council's review of Legal Link and the examination of WSBA's space.

Member Engagement Council. Gov. Peterson reported on the council's work to get a survey out to gather member feedback on ETHOS.

Budget & Audit Committee. Treas. Peterson reported that the staff has been working to develop the FY23 budget and that the committee has started its review. He noted that the Board will review that budget later in the meeting and noted that it is an opportunity for the Board to give feedback to the committee.

Equity & Disparity Workgroup. Gov. Stephens reported that the workgroup is finishing up its work. He noted that the Board will hear a report from one of its subcommittees during this meeting and will hear a proposal from the other subcommittee in September.

Supreme Court Bar Licensure Task Force. Gov. Williams-Ruth expressed his condolences to Dean Rooksby following the passing of his wife. Gov. Williams-Ruth noted that Dean Rooksby had stepped in to help lead the Task Force over the last few months, but that the newly hired dean of the Seattle University Law School would be stepping in as co-chair with Justice Montoya-Lewis. He noted that he reported to the Court on the task force's progress on the deliverables, noting some of the task force's concerns relating to the deliverable suggesting a study of the graduates that recently received diploma privilege. He noted that he hopes the Board can revisit the resolution regarding the bar exam and that noted that the task force is going to recommend alternative pathways to licensure. There was a brief discussion about the history of excluding members of the LGBTQ and BiPOC communities from the bar exam.

TAXICAB. Immediate Past Pres. Sciuchetti reported on the work of TAXICAB, which is focused on WSBA's working relationship with Supreme Court appointed Boards administered by WSBA. He noted that he anticipates a proposal coming to the Board in November. Discussion followed about how the work has been getting done, including with a subset of the task force.

Ad Hoc BOG-Staff Task Force Report on Key Takeaways from the BOG-Staff Teambuilding Retreat ([link](#))
Gov. Adewale shared key takeaways from the BOG-Staff retreat in February, including its purpose and the concepts arising out of the discussions, which included expectations for board members, the Board, and the board-staff relationship. He also shared some of the concerns raised by participants, as well as some of the proposed solutions, and commitments arising from the retreat. Gov. Adewale walked through some suggested community agreements that he would like to see the Board walk through at upcoming Board meetings. Dir. Klinefelter-Sio presented the action plan. Discussion followed regarding the last action point, which was to reconsider the philosophy related to license fees.

Equity and Disparity Work Group ([link](#))

Subcommittee Chair Kim Sandher reported on the work of the Experiences of the Justice System Subcommittee of the Equity and Disparity Work Group. She noted that they focused on experiences of people of color and low-income people and after examining an array of topics, the group identified maintaining some aspect of a hybrid/virtual court system as its priority. She referenced the subcommittee's report, which set forth key considerations and identified stakeholders. She noted that the subcommittee successfully proposed the project as a strategic priority for the Board for Judicial Administration (BJA). Gov. Stephens and Executive Dir. Nevitt spoke to next steps and the benefits of the BJA taking up the topic.

[Revisit Volunteer Vaccination Policy \(link\)](#) ([part 2 link](#))

Gov. Williams-Ruth reported on the significance of this policy for WSBA events and volunteers. He noted that the pandemic, our understanding of it, and our tools to address it are changing. He reported that he sees the policy as being exclusionary and requests that the Board revisit it. Discussion followed, including a suggestion that WSBA staff enforce the vaccination mandate at an upcoming event at the Mariners game hosted by the WSBA Solo and Small Practice Section; and a perspective that there should be a more inclusive volunteer policy.

Gov. Clark moved that the Board keep the existing policy as is. Discussion followed regarding public health conditions; a perspective is that the issue is one of public health and not civil rights; that people have the right to decide when and whether to follow the science and a perspective that some aspects of science are being followed and others are not. Director Plachy reported on some of the challenges with the policy and its overlay with the attendee procedure and noted that we do not have sufficient staff to attend all of the in-person events that are put on by sections. Discussion continued, including a perspective that the science indicates that vaccination effectiveness wanes after a period of time and other data that would support the changing the policy, as well as a perspective that those that are afraid of catching COVID can chose to participate remotely; a perspective that this would be the worst possible time to change the policy and a suggestion that the Board revisit the discussion early next year with a presentation from a state public health official and a staff proposal for a comprehensive policy; perspectives about approaches taken by other organizations; a perspective that the mandate should not be lifted as a matter of ethics; that the Supreme Court has not changed its requirement and that the last time this was revisited, the Board agreed not to reconsider the policy until the Court changed its policy. Motion passed 6-5. Gov. Sayani was not present for the vote.

Following the vote, Gov. Stephens reiterated his suggestion that the staff arrange to bring in a public health official to educate the Board. Gov. Adewale suggested that we place the matter on the Executive Committee agenda and continue to revisit it at every meeting. Gov. Williams-Ruth suggested that the Executive Director and Chief Communications Officer update the membership on this action by the Board and that the Solo and Small Practice Section's event be vetted for compliance. Gov. Stephens moved that the Executive Director arrange for the [State] Department of Health to give a presentation to the Board of Governors regarding COVID 19, including the state of disease and to advise us on best practices looking to the future. Gov. Williams-Ruth moved to amend the motion to add that the Executive Director and the Chief Communications Officer issue a stand-alone statement to the membership that the policy is being maintained and to specify that the decision is tied to the decision by the Washington Supreme Court to maintain its vaccination policy. It was clarified that the original motion was intended to hear from the state Department of Health and not a county official.

Discussion followed, including a concern about those who opposed the motion voting on the intent of the motion; support for the motion to amend, clarification that the Court has changed its policy, and a perspective that information from the Court should only come directly from the President; a suggestion that if it's preferable, the language from the prior amendment, which tied revisiting the policy to action by Supreme Court; and opposition to the amendment as inaccurately reflecting the reasons for the action;

discussion about whether the State of Hawaii was requiring vaccinations at the time of the Western States Bar Conference. The Board heard public comment from Nancy Hawkins who expressed disappointment in the tone of the discussion; that she disagrees that the vaccination policy is the issue that is top of mind for the members that she engages with; and she also spoke in opposition to putting a message out to members that they will be excluded by the vaccination policy. Gov. Abell moved to call the question. Motion to call the question passed unanimously. Motion to amend failed 6-4. Govs. Peterson and Sayani were not present for the votes.

Discussion followed on the underlying motion, including a perspective that information is good, but that this may not be the best use of the Board's time and could be undertaken by the Executive Committee or by staff; opposition to the motion because of a perspective that the Department of Health reports to the Governor, who has taken political positions with regard to COVID19; and support for the motion. Motion passed 8-3. Gov. Sayani was not present for the vote.

Second Read: Proposed Amendments to WSBA Bylaws Art. IV Re Scope of BOG Legislative Committee ([link](#))
Gov. Williams-Ruth moved for approval of the proposed amendment. He explained that the amendment would authorize the BOG Legislative Committee to review and approve proposed comments to court rules when the comment deadline is before the next regularly scheduled meeting of the Board of Governors.

The Board took public comment from Nancy Hawkins on behalf of the Family Law Section, which takes the position that sections should be able to comment directly to the Washington Supreme Court. She noted that the Court is able to distinguish between WSBA and the sections and the section does not believe that going through the legislative comment process will add value for court rule comments.

Discussion followed about the current policies and a conflict between the Legislative Comment Policy and the Bylaws; the frequency of timing delays and whether an entity might delay intentionally to avoid having to take a matter to the Board of Governors; clarification that this policy change would make it easier for entities to comment. Motion passed unanimously. Govs. Adewale, Clark, Higginson, and Sayani were not present for the vote.

Second Read: Proposed Structure for the Diversity Committee ([link](#))

Gov. Anjilvel presented the proposed changes to the Bylaws to change the structure of the committee to a council. Gov. Anjilvel noted the purpose of the change is to allow the council to expand its reach by including judicial officers, law students, and potentially the public. As a standing committee of the BOG, membership would be limited to Board members. Discussion followed in support of the proposal; a perspective that the REJI Commitments go too far for an integrated bar and should not be referenced in the charter; clarification that WSBA signed onto the commitments in 2018 and curiosity about the GR 12 analysis. Gov. Williams-Ruth moved to approve the proposed change to the structure of the WSBA Diversity Committee. Gov. Stephens moved to call the question. Motion to call the question passed unanimously. Underlying motion passed 7-1. Govs. Adewale, Clark, Higginson, and Sayani were not present for the vote.

Approve Council on Public Defense's Proposed Workloads Statement ([link](#))

Prof. Bob Boruchowitz presented the proposed workloads statements, which is intended to help defenders and administrators to advocate for themselves with regard to caseload with funders and other stakeholders. He noted that the Board has approved several similar statements. Vice Chair Schwarz added that defenders have to quarterly certify that they are within caseload standards and that this statement supports them in doing so by bringing all of the information into one place and empowering them to not certify when they are not within appropriate caseload standards. Discussion followed as to whether the statements can help with funding.

Gov. Boyd moved for approval. Discussion followed, including opposition to the motion based on a concern that the Washington Supreme Court has not adopted caseload standards for deputy prosecutors. Motion passed 7-1. Govs. Adewale, Clark, Higginson, and Sayani were not present for the vote.

Construction Law Section Proposed Model Residential Construction Contract ([link](#))

Construction Law Executive Committee member Masaki James Yamanda requested approval to post updated model residential construction contracts on the WSBA website. He noted that two of the model contracts are new; 1) the cost plus contract with a guaranteed maximum price and 2) a design build contract with a guaranteed maximum price. He walked through the process the Section took to update the contracts. He noted that there would be no fiscal impact and that the activity is within the purposes of the state bar association. Discussion followed as to any risks associated with posting model contracts; it was clarified that model contracts are already posted on the website; background on the rationale for proposing the action to the Board and information about the original proposal; and support for model contracts as a great resource.

Director Plachy noted that the model contracts are similar to information shared in CLEs and by other WSBA Sections.

The Board took public comment from Nancy Hawkins urging the Board to be thoughtful in what it approves and noted with concern a form published on the page of the LLLT Board. It was clarified that the request is for approval to post the forms, not to approve the content.

Gov. McBride moved to post on the website. Discussion followed, including clarification that Section speech is WSBA speech and therefore it doesn't seem entirely accurate to say that the Board is not approving the content; discussion followed about the other resources available on our website and put forth to the public and members; a suggestion that General Counsel and Executive Director to consider whether there could be additional safeguards put in place for the larger question all the resources WSBA is publishing; and whether publishing such a form would be considered the practice of law.

The Board took public comment from Rex Nolte who commented on the value of these forms for a member of the public.

Gov. Williams-Ruth moved to request a legal memo from General Counsel's office to address the legality and risk exposure for the bar in publishing legal forms as well as a survey of the related legal landscape.

Suggestion to expand the motion to include any other activities of the bar that might be considered the practice of law. Accepted as a friendly amendment. Motion passed unanimously. Govs. Adewale, Clark, Couch, Higginson, Purtzer, and Sayani were not present for the vote. Motion passed unanimously. Govs. Adewale, Clark, Higginson, and Sayani were not present for the vote.

Approve Moving Forward with District 8 Election ([link](#))

Volunteer Engagement Advisor Paris Eriksen presented the question before the Board: to determine whether to fill the vacant District 8 seat for the time remaining in the term. Discussion followed including support for filling the seat and clarification that the position will be elected by the Board.

Gov. Peterson moved for approval. The motion was restated to move forward with the District 4 and District 8 elections at the September meeting. Discussion followed, including whether it would be preferable to have next year's Board elect the new members. Motion passed unanimously. Govs. Adewale, Clark, Higginson, and Sayani were not present for the vote.

Long Range Strategic Planning Council Report Re Future of WSBA Space ([link](#))

Chief Communications Officer Sara Niegowski presented an update on the work being done to address the future of WSBA office space. She walked through the facilities project management plan, including major milestones. Discussion followed about timing for decision-making and what level of feedback will be sufficient.

Governors Roundtable ([link](#))

Gov. Abell noted that there will be a performance of *To Kill a Mockingbird* at the Paramount Theatre in the fall in Seattle that he hopes to attend. Gov. Stephens requested the Executive Committee to take up his suggestion that the Board review itself and the end of each meeting.

Election of 2022-2023 Treasurer ([link](#))

Volunteer Engagement Advisor Paris Eriksen presented the materials setting forth the process and the nomination of Gov. Adewale. Pres. Tollefson called for any nominations from the floor. There were none. Gov. Stephens moved to elect Gov. Adewale the Treasurer by acclamation. Motion passed unanimously. Gov. Sayani was not present for the vote. Treas. Elect Adewale made brief remarks of appreciation.

Budget & Audit Committee Items ([link](#))

Executive Director Nevitt introduced the Board to WSBA's new Finance Director Tiffany Lynch.

First Read: Fiscal Year 2023 Draft WSBA Budget. Treas. Peterson noted that the draft budget is being presented to the Board for a first review and an opportunity to provide feedback to the committee before the budget is finalized. Director Plachy began the presentation by noting that the version that was being presented was changed from what was presented to Budget and Audit due to the detection of an error which is favorable by \$200K. Director Plachy walked through the budget assumptions, including assumptions related to revenue for all funds, expense assumptions related to salaries, and rent and other indirect expenses. Executive Director Nevitt walked through the rationale for adding staff capacity. Director Plachy walked through the pending items, including insurance rates, the Keller deduction, benefits and

taxes, transportation spending, and section budgets. Director Plachy reviewed the overall impact of the budget, noting an anticipated use of reserves of \$35,011 to \$253,495, which will leave a fund balance of more than \$7 million under either scenario.

Discussion followed regarding how inflation will impact the budget; the status of subletting the WSBA space; a perspective that we should plan for a greater increase in the health insurance; a perspective that is the draft budget does not put sufficient resources into compensation; a perspective that insufficient staff is being added, particularly for the diversity and inclusion portfolio and comments on other specific expense lines; perspectives for and against increasing dues; and a perspective that the budget should not reflect a deficit and comments about the purposes.

The Board took comment from Chair Michael Cherry that the Practice of Law Board feels that it is overworking the staff and is need of additional support. Due to time constraints, further discussion was tabled for later in the meeting.

Personnel Committee Update on Executive Director Evaluation ([link](#))

Director Klinefelter Sio introduced Rick Park from FIT HR, which we have contracted with to conduct the FY22 Executive Director evaluation. Mr. Park presented the scope of the project and next steps. Discussion followed, including whether clarification as to when the work/evaluation will occur and how turnover of the Board will impact the process; that the tool being developed can be used annually; and whether the evaluations should be anonymous. Pres. Elect Clark moved to not include names of survey respondents as part of the Executive Director evaluation. The presentation from Mr. Park continued. Discussion followed for and against the motion regarding confidential feedback to the Executive Director. Motion tied 5-5. Pres. Tollefson broke the tie and the motion carried. Govs. Dresden and Sayani were not present for the vote.

Director Klinefelter Sio requested a partner from the Board to help move forward the evaluation. Director Klinefelter Sio reported that Gov. Stephens and Gov. Boyd volunteered to work with her on the evaluation. Gov. Clark moved to approve the appointment. Motion passed unanimously. Govs. Dresden, Higginson, and Sayani were not present for the vote.

Budget & Audit Committee Items Continued ([link](#))

The Board continued discussion on the budget. The Board took public comment from Nancy Hawkins that in her opinion there is an open question as to the level of obligation that WSBA has to staff and support the Supreme Court Boards administered by WSBA. Discussion followed, including that a perspective that WSBA often performs favorable to the budget and has sufficient reserves to maintain the commitment to members to not increase the license fee; a perspective that virtual meeting would not be as effective as the in-person meeting; that the amount budgeted for board meetings doesn't support a good relationship with staff; concern that the budget included funding for two full-time positions yet four are needed; that the board consider the WSBA staff salaries vs. the Puget Sound area living costs when making decisions in advancing the WSBA mission; information about the request for additional staff support; a perspective that the budget is ultimately a compromise and no individual is likely to be entirely happy with the result; and a request to give specific feedback to the Budget & Audit Committee.

Proposed Conflict of Interest Policy

Deferred to September.

Law Clerk Board Suggested Amendment to the WSBA Committees and Boards Policy ([link](#))

Law clerk board member Leone Reinbold presented the Law Clerk Board's request for an amendment of Section 8 of the Committees and Boards Policy, to expand service on Law Clerk Board to three terms. She noted that it will better mirror the time spent in the program and allow clerks to keep the same assigned board member throughout the program. It will also positively impact the steep learning curve. Discussion followed, including whether volunteers could continue to serve in their positions until a substitute is identified, rather than allowing three terms.

Gov. Clark moved for approval of the proposal. Discussion followed, including a suggestion that term limits are not as critical for entities beyond the Board of Governors; concerns about how lack of turnover can lead to lack of diversity; a perspective that we bring some consistency to the approach with term limits with WSBA entities; comments in support of and in opposition to the motion; current practice for WSBA entities when there are not sufficient candidates and existing volunteers are termed out; and how the work is distributed when there are vacancies on the Law Clerk Board. Motion passed 9-2. Gov. Sayani was not present for the vote.

ADA Myth-Conceptions ([link](#))

Conrad Reynoldson and Dustine Bowker, representing the firm Washington Civil and Disability Advocate, provided a CLE presentation addressing ADA Myth-Conceptions. Reviewed the distinction between disability and impairment; models of disability; provided examples of poor access; unpacked myths related to the ADA and why those myths matter; and presented an overview of spirit and several provisions of the ADA. Questions and answers followed.

MCLE Board Suggested Amendment to Practice Rule 11 ([link](#))

MCLE Board Chair Todd Alberstone introduced Vice Chair Robert Malae who presented the proposal, which would grant MCLE credit for tutors in the APR 6 law clerk program. The proposal recognizes the time, work and effort that law clerk tutors perform. Vice Chair Malae noted that the proposal is a result of collaboration with the Law Clerk Board. Gov. Peterson moved for approval. Comments in support of the proposal followed. Motion passed unanimously.

Budget & Audit Committee Items Continued ([link](#))

First Read: Proposed Fiscal Policy Revisions. Director Plachy walked through the significant proposed changes to the Fiscal Policies. Gov. Adewale noted that these changes are being presented for a first read and they are looking for feedback and suggestions. The Board took public comment from Nancy Hawkins, who commented that the sections should be able to submit supplemental budgets from their reserve funds without approval; that group meals can be appropriate but seem to cost more than individual meals; and that meetings should not be outside the state of Washington. Discussion followed, including the rationale for increasing the operating reserve to \$2 million; a concern that using a reimbursement approach without clarity about what is going to be approved, that there are equity concerns; and a discussion regarding use of reserves and the rationale for a license fee stability fund and other new funds.

[MBA Proposal Task Force Proposed Amendment to Board of Governors Policy Re Requests for Action](#) ([link](#))
Gov. Williams-Ruth reported on the work of the MBA Proposal Task Force, which is working to develop specific proposals arising out of the joint MBA proposal. He presented the proposal, while noting that this is just the first step, and more proposals will follow. The proposal is to include an equity analysis alongside the fiscal and legal analysis we already received. Gov. Williams-Ruth moved for approval of the proposed amendment. Discussion followed, including whether the proposal might impact first amendment rights; whether it would delay the pace at which the board acts. Motion passed 9-2. Gov. Sayani was not present for the vote.

[Opportunity to Sign on to Recommendations for the Commission for Judicial Conduct](#) ([link](#))

Gov. Adewale presented the letter, noting that a legal analysis had been conducted and urged the Board to sign on as an opportunity to make a real impact in defending the independence of the judiciary and in support of mentorship. Discussion followed, including some concern about specific provisions in the resolution and letter and WSBA's role in advocating for some of these changes; comparisons to the work done by volunteers on WSBA boards; a perspective that the system worked, in terms of being overturned on appeal and that signing onto such a letter would chill the judgement of the agency; a perspective that the system does not work and action is required ensure change. Gov. Anjilvel moved to approve signing off on the letter. Discussion continued about the role of judges and the necessity of independence. Motion failed 8-2. Govs. Higginson and Sayani were not present for the vote.

ADJOURNMENT ([link](#))

There being no further business, Pres. Tollefson adjourned the meeting at 5:21PM on Friday, July 22, 2022.

Respectfully submitted,

Terra Nevitt
WSBA Executive Director & Secretary



**Board of Governors Meeting – Motions List
Tacoma, WA
July 21-22, 2022**

1. Motion to approve the consent calendar. Motion passed unanimously. Govs. Abell, Higginson, and Sayani were not present for the vote. Included on the consent calendar were:
 - a. May 19-20, 2022, Board of Governors meeting minutes
 - b. WSBA Committee Chair appointments
 - c. Presidential Appointment to the Task Force to Develop Action Items in Response to The Joint MBA Proposal to The WSBA Board of Governors
 - d. Recommendations from the Judicial Recommendations Committee
 - e. Amendments to the World Peace Through Law Section Bylaws
 - f. Second Read: Emergency amendment to the WSBA Bylaws Art. VI – Elections
2. Motion that the Board keep the existing policy [regarding volunteer vaccination requirements] as is. Motion passed 6-5. Gov. Sayani was not present for the vote.
3. Motion that the Executive Director arrange for the [State] Department of Health to give a presentation to the Board of Governors regarding COVID 19, including the state of disease and to advise [the Board] on best practices looking to the future.
 - a. Motion to amend the motion to add that the Executive Director and the Chief Communications Officer issue a stand-alone statement to the membership that the policy is being maintained and to specify that the decision is tied to the decision by the Washington Supreme Court to maintain its vaccination policy. Motion to amend failed 6-4. Govs. Peterson and Sayani were not present for the vote.
 - b. Motion to call the question. Motion passed unanimously. Govs. Peterson and Sayani were not present for the vote.
 - c. The underlying motion passed 8-3. Gov. Sayani was not present for the vote.
4. Motion to approve the proposed amendment [to WSBA Bylaws Art. IV regarding the scope of the BOG Legislative Committee]. Motion passed unanimously. Govs. Adewale, Clark, Higginson, and Sayani were not present for the vote.
5. Motion to approve the proposed change to the structure of the WSBA Diversity Committee.
 - a. Motion to call the question. Motion passed unanimously. Govs. Adewale, Clark, Higginson, and Sayani were not present for the vote.
 - b. The underlying motion passed 7-1. Govs. Adewale, Clark, Higginson, and Sayani were not present for the vote.
6. Motion to approve [the Council on Public Defense’s proposed workloads statement]. Motion passed 7-1. Govs. Adewale, Clark, Higginson, and Sayani were not present for the vote.

7. Motion to post [the model residential construction contracts proposed by the WSBA Construction Law Section] on the [WSBA] website. Motion passed unanimously. Govs. Adewale, Clark, Higginson, and Sayani were not present for the vote.
8. Motion to request a legal memo from General Counsel's office to address the legality and risk exposure for the bar in publishing legal forms and any other activities that might be considered the practice of law, as well as a survey of the related legal landscape. Motion passed unanimously. Govs. Adewale, Clark, Higginson, and Sayani were not present for the vote.
9. Motion to move forward with the District 4 and District 8 elections at the September 2022 [Board of Governors] meeting. Motion passed unanimously. Govs. Adewale, Clark, Higginson, and Sayani were not present for the vote.
10. Motion to elect Gov. Adewale the [2022-2023 WSBA] Treasurer by acclamation. Motion passed unanimously. Gov. Sayani was not present for the vote.
11. Motion to allow for confidential feedback on the Executive Director Evaluation. Motion tied 5-5. Pres. Tollefson cast an affirmative vote and the motion carried. Govs. Dresden and Sayani were not present for the vote.
12. Motion to approve the appointment [of Gov. Boyd to work with Director Klinefelter Sio and FIT HR on the evaluation of the Executive Director]. Motion passed unanimously. Govs. Dresden, Higginson, and Sayani were not present for the vote.
13. Motion to approve the proposal [by the Law Clerk Board to amend Section 5 of the Committees and Boards policy to expand service on the Law Clerk Board to three terms]. Motion passed 9-2. Gov. Sayani were not present for the vote.
14. Motion to approve [the proposed amendment to Practice Rule 11 to grant MCLE credit to law clerk tutors]. Motion passed unanimously.
15. Motion to approve the proposed amendment [to the Board of Governors Policy Re Requests for Action to include an equity analysis]. Motion passed 9-2. Gov. Sayani was not present for the vote.
16. Motion to approve signing off on to recommendations for the Commission for Judicial Conduct letter. Motion failed 8-2. Govs. Higginson and Sayani were not present for the vote.

WASHINGTON STATE BAR ASSOCIATION

BOARD OF GOVERNORS SPECIAL MEETING - ETHOS

Minutes Held Virtually August 13, 2022

Call to Order and Welcome ([link](#))

The special meeting of the Board of Governors of the Washington State Bar Association (WSBA) was called to order by Pres. Brian Tollefson on Saturday, August 13, 2022, at 9:05 AM. Governors in attendance were:

Hunter Abell
Francis Adewale
Sunitha Anjilvel
Lauren Boyd
Pres. Elect Daniel D. Clark
Jordan Couch
Matthew Dresden
Carla Higginson
Brett Purtzer
Serena Sayani
Alec Stephens
Brent Williams-Ruth

Also in attendance were Tom Atkinson, Executive Administrator Shelly Bynum, Michael Cherry, Carrie Donnelly, Paula Emery, Chief Disciplinary Counsel Doug Ende, Volunteer Engagement Advisor Paris Eriksen, Gov. Elect Kevin Fay, Tamara Garrison, Nancy Hawkins, Associate Director of Regulatory Services Bobby Henry, Director of Finance Tiffany Lynch, Executive Director Terra Nevitt, Chief Communications & Outreach Officer Sara Niegowski, Broadcast Services Manager Rex Nolte, Gov. Elect Kari Petrasek, Director of Advancement Kevin Plachy, Parliamentarian G. Kim Risenmay, Immediate Past Pres. Kyle Sciuchetti, General Counsel Julie Shankland, Chief Equity & Justice Officer Diana Singleton, and Member Services & Engagement Manager Julianne Unite.

Pres. Tollefson made preliminary remarks, including that the Washington State Supreme Court would like to receive the report of the Board in a meeting and has proposed September 8 as a potential meeting date. Discussion followed about the timeline for approving a final report and clarification that Gov. Williams-Ruth's proposal to create a legislative entity had not been withdrawn.

Welcome, Approval of ETHOS Meeting Minutes ([link](#))

Pres. Tollefson and Executive Director Nevitt explained that the minutes that were distributed for approval, noting that there was a proposed revision to the March 5, 2022, minutes. There was a concern

that the minutes were too detailed and too voluminous to be approved at this meeting. Gov. Higginson moved that the minutes be revised and resubmitted with the minimum requirements established by Roberts Rules of Order. Motion failed for lack of a second. Pres. Tollefson expressed a preference to approve the minutes individually. There was no objection.

Gov. Clark moved to approve the March 5 meeting minutes as amended this morning. Motion passed unanimously.

Gov. Couch moved to approve the April 23 meeting minutes. Motion passed unanimously.

Gov. Couch moved to approve the May 21 meeting minutes. Motion passed unanimously.

Gov. Couch moved to approve the June 18 meeting minutes. Motion passed unanimously. Govs. Boyd and Higginson abstained. Gov. Anjilvel was not present for the vote.

Gov. Couch moved to approve the July 23 meeting minutes. There was a suggestion to amend the July 23 minutes at the second paragraph of page 30, second paragraph, to insert the language, "according to Ferguson," and "described herself." Gov. Couch accepted that revision as a friendly amendment. Motion passed unanimously. Gov. Higginson abstained. Gov. Anjilvel was not present for the vote.

Public Comment ([link](#))

Carrie Donnelly provided comment that she had asked a question at the last meeting but was not able to stay to receive her answer and that she had not been able to view the recording to see if her question was answered. She re-asked her question as to whether there had been adequate public comment. She expressed concern that the process needed to be redone because of a lack of public participation.

There was no further public comment.

Board of Governors Discussion and Action: Adopt response(s) to Question 3 ([link](#))

Executive Director Nevitt presented an overview of the materials presented.

Gov. Couch presented the status quo proposal. He noted that the immediate legal threat was gone, that self-regulation is a privilege and his perspective that the organization is stronger and more efficient when all functions are in one organization. Gov. Couch expressed confidence in the results of the membership survey, which favor integration. He noted that the majority of complaints about the organization related to its diversity, equity, and inclusion work, which he believes are undeniably germane, and that a voluntary organization will be less able to lead on those topics. He stated his view that status quo is preferable in terms of cost. He argued that bifurcation will not eliminate risk because diversity, equity, and inclusion work will continue—perhaps with less oversight or input from members, if done completely by an agency of the Court—and that fear of litigation should not drive the decision. Gov. Boyd added that the integrated bar is the best way to support the profession and maintain the rule of law in our state because in a voluntary model, the folks most in need of the services the voluntary bar could provide would likely be the least able to afford joining two organizations.

There was a discussion about the margin by which the membership preferred an integrated bar based on the membership study; the extent to which bifurcation would resolve the complaints about diversity, equity, and inclusion work and how that work is carried out currently; an observation that the member survey results mirrored the two section surveys submitted and the employee survey; and a comment in support of an integrated bar. Chief Communication Officers Sara Niegowski clarified that the survey was not distributed to all members but was designed to take the pulse of a randomly chosen, statistically-valid sample, which was the method recommended by the professional company that implemented the survey. Discussion continued, including comments that accepting the proposal for "status quo" does not mean "do nothing," that the work to improve the organization continues, as does the need to identify a preferred alternative; and a comment about the value of diverse viewpoints as part of an integrated bar.

Gov. Abell presented the proposal for a bifurcated bar, noting that the proposal is rooted in affection for the organization and is not intended to throw rocks. He presented his responses to questions 3 and 2, noting that if the Board does accept the status quo option to question 3, he hopes the Board can accept his proposal as a response to question 2. Gov. Abell proposed to move the regulatory functions of WSBA under the direct supervision of the Court, while keeping trade association activities as a voluntary bar. Gov. Abell explained that this proposal would resolve the potential constitutional issues presented by the current model and address the issue of the divided mission to avoid the "distracted regulator" problem. He argued that there is a clear trend toward bifurcation, with no bifurcated bars looking to move to an integrated model. He explained that increased competition for members will be a benefit. Gov. Abell refuted the "stronger together" argument noting that being together by fiat gives rise to constitutional issues or at least dissatisfaction. He noted that it is possible that a valuable activity or entity could be negatively impacted by bifurcation but argued that if the activity is valuable and effective, it is likely to succeed in the new model. In terms of member feedback, Gov. Abell explained that the survey results are nearly a statistical tie. In terms of cost, he stated that costs are necessarily unclear, but that the mandatory fee is likely to go down. Gov. Abell also explained that diversity efforts would be better served by being under the direct control of the Supreme Court. Gov. Abell concluded that while it is understandable to defend the familiar, there is a better model. He also recommended that WSBA seek an advisory vote of the membership.

Discussion followed about how the organization's assets, lease, and contracts would be addressed and a perspective that the answer would largely depend on the Court's decision; the nature of the concerns about the organization from outside of the Puget Sound area; the extent to which the proposal to bifurcate would address the location of the WSBA office; the fiscal analysis and the estimated participation of members in a voluntary bar; and a perspective that that individuals choosing to associate elsewhere is not necessarily a negative result.

Executive Director Nevitt, Director Plachy, and Chief Disciplinary Counsel Doug Ende provided additional context and information for the fiscal analysis as to potential license fees under a bifurcation model, as well as the changes to license fee in California. Discussion continued about the proposal to bifurcate, including the extent to which preventative services would remain with the regulatory entity; the extent

to which diversity, equity, and inclusion efforts would remain with the regulatory entity and the impact on that work; and the extent to which the office location would be impacted under this proposal.

[\(link\)](#) After a short recess, discussion continued as to whether it makes sense to take action absent direction from the Court. The Board took comment from Michael Cherry who wondered whether there would be enough members to build a statewide voluntary bar, noting that some of the larger counties have robust bar associations. Discussion followed in response to the question, including the proposed relationship between the voluntary and mandatory entities; the extent to which member services, such as member wellness would survive under the proposal; and whether other states are appropriate models for WSBA. Chief Disciplinary Counsel Doug Ende made comments in support of the proposal noting that in his view it resolves the constitutional issues, resolves the moral issue of forced membership, and support some recommendations to separate disciplinary functions from the integrated bar.

The Board took public comment from Nancy Hawkins who asked for more detail about the concerns that the WSBA is too Seattle-centric; asked if there was a concern about disciplinary hearings occurring in Seattle; and the extent to which there is more political accountability under the new proposal given that governors are elected. Discussion followed in response. A point of order was raised expressing concern about Ms. Hawkins engagement with Gov. Abell. Pres. Tollefson did not rule on the point of order but asked if Gov. Abell could respond to Ms. Hawkins via email. Instead, Gov. Abell sought to answer her question about the perceived value differences between eastern and western Washington. Gov. Stephens made a point of order requesting that the parliamentarian rule on the point raised. There was no ruling.

Discussion continued, including a perspective in favor of self-regulation; a perspective that everything the organization does is germane and can arguably move to the mandatory organization; the ability to influence the regulation of the practice of law through political action; the value of traditional member benefits compared to the substantive services that an integrated bar can provide; and a perspective that under the proposal, there will be greater role clarity.

Gen. Counsel Shankland noted that a new petition for certiorari has been filed with the Supreme Court in an integrated bar case involving the Wisconsin bar. She also noted that currently, the location of parties and witnesses is considered in the disciplinary hearings. Director Plachy shared his perspective on the constitutional issues, noting that the Fifth Circuit found nearly all of the Texas State Bar's activities to be germane and that at the end of the case the Bar remained integrated. He also shared his views that there should not be a tension in the regulatory and non-regulatory work, but that WSBA could take steps to further align the work.

There was a suggestion that the Board take votes today and that those be shared with the membership as a decision of the committee of the whole to allow for one more opportunity for comment before the Board of Governors acts on its own recommendation. There was a question to Chief Disciplinary Counsel Ende as to whether he believes disciplinary and regulatory functions would work better under a bifurcated model. He responded that there are many synergies with the integrated bar, but that if we were building from scratch, he does believe that having the disciplinary functions separate would be more credible.

There was a follow-up question as to whether his view is shared by his colleagues, and he responded that he could not speak to what the consensus view was of chiefs around the country.

[\(link\)](#) Following a recess for lunch, Gov. Williams-Ruth moved for adoption of PAWL as a response to question three. Motion died for lack of a second and Gov. Williams-Ruth noted that the proposal was no longer viable. Concern was expressed that there had been no presentation regarding PAWL. Discussion followed.

Executive Director Nevitt read Gov. Abell's motion that the Board of Governors answer question number three as follows, "The ideal structure of the WSBA is a reformed structure that transitions the regulatory functions under the Washington Supreme Court, and transitions professional trade association functions to a new voluntary entity to be created." Gov. Elect Fay commented that Washington is in a different posture than California was pre-bifurcation and noted that both representatives from California and Nebraska indicated that services to members reduced post-bifurcation, fees went up, and neither spoke in favor of bifurcation. He also commented on the criticism regarding the bar being Seattle-centric and expensive, as well his perspective on the freedom of association concerns and the extent to which bifurcation would address them. Discussion followed regarding interpretation of the results of the membership survey; the extent to which the structure is fair to those that dissent; how an integrated bar can serve the public; and a perspective that Nebraska and California are not models of hope.

Gov. Clark moved to amend the motion to take an advisory vote of the entire active membership regarding the structure of WSBA and that the Board table making a decision on questions two and three until it has results from the membership. Discussion followed on the amendment, comments included that a survey should not be limited to active members; that the information from a survey will not be helpful as it will not likely address the legal issues; that there should be no further delay; that the option to survey all members was already considered and rejected; that a statistically relevant survey has already been conducted; a perspective that there is no reason the governors-elect that have been participating in the process can't vote; a perspective that it would be disrespectful to take action after those that have participated in this process can no longer vote.

The Board took comment from Nancy Hawkins who reminded the Board that sections had asked to have a seat at the table and the feedback was that this was a decision for the Board and that if this is to go to a vote of the members, sections should have a vote too. She noted that the Board has heard from many members already.

Discussion continued on the motion to amend, including support for the motion and a perspective that it can be done quickly; a perspective from an outgoing governor that they would like the opportunity to vote and a suggestion that the Board vote today and seek the advisory opinion after; a perspective that the section viewpoints do not necessarily represent the views of the members of those sections; support for the motion as well as a perspective that the motion does not preclude taking votes today; clarification on how the Solo and Small Practice Section reached comment; that the membership survey provides the information that is being sought; that one of the concerns expressed by members of the Spokane County Bar is that a statewide voluntary bar will hurt regional bar associations; that the location of the bar is

irrelevant to this discussion because it exists regardless of how we address the structure; and comments on whether discipline is better overseen by the bar association or the Governor of the State of Washington. Gov. Clarksought to withdraw his motion. There was no objection.

Discussion resumed on the underlying motion. Michael Cherry asked whether the Practice of Law Board is a regulatory function under the motion. It was clarified that the Supreme Court Boards would be unaffected by the proposal, other than that the funding would have to shift back to the Court. Discussion continued, including support for the proposal to bifurcate; a perspective that government is already in control of the regulation of the practice; a concern that the GR 12 analysis is not well understood and not well followed and that that is a problem the Board of Governors has an obligation to address; and that those that don't want to associate should not have to, while there should also be more robust political participation.

Gov. Adewale called the question on the motion. Motion to call the question passed unanimously. The underlying motion failed 8-4. Gov. Abell made comments of appreciation for the process and discussion.

Gov. Couch moved that the Board answer question three by saying that WSBA should work to preserve the current unified structure of the bar. Gov. Stephens called the question. The motion to call the question carried by a two-thirds majority. The underlying motion carried 9-3.

Board of Governors Discussion and Action: Adopt Response(s) to Question 2 ([link](#))

There was a discussion as to whether the PAWL proposal could be considered as a response to question two. Gov. Stephens moved that Gov. Abel's proposal be considered as the answer to question two. Discussion on the motion followed, including a perspective that additional thought should be put into the back-up plan; what the Court might be expecting; support for PAWL as an answer to question two; and confusion as to whether question two is seeking to know what is the second best structure or what to do in the event that the law changes. The Board took comment from Nancy Hawkins that the Board should not put forth, as a back-up plan, ideas that were just rejected by a significant majority of the Board. Executive Director Nevitt commented on her interpretation of comment two and her perspective that it would be difficult to plan for an outcome we can't predict, but that planning around when to take up the issue again and some planning around the process would be useful. Gov. Stephens' motion was withdrawn without objection. Discussion followed that it would not be effective to seek to bind a future Board; support for Executive Director Nevitt's comments; and that it does not make sense to make a finite plan knowing that the development of the law is dynamic. Michael Cherry spoke in support of the Board and Executive Leadership Team building a checklist as to decisions that would have to be made in the event of an emergency, including a timeline.

Executive Director Nevitt commented on potential next steps regarding the report, as well as a suggestion that the Board decide how to respond to question two. Gov. Stephens proposed that in response to question two, the Board say that it cannot decide a plan without a specific case to respond to, but to share the work done on the other two proposals. Discussion followed in agreement that the answer to question two is to wait until such time as a case directly impacts Washington comes down. That the *Crowe* decision is the closest and there is enough information there to understand what the likely issues are. There was a suggestion that the Board take up some form of contingency planning in September then let the Court

know that is the direction. A desire to move on to other important matters of the organization. A perspective that the back-up plan is to pull the work WSBA has just done out and apply it to the current situation. Nancy Hawkins voiced support for Executive Director Nevitt's suggestion that the staff develop an estimated timeline and list of questions to be answered in the event that the law changes and in opposition of continuing this conversation into next year instead of getting back to substantive work.

Gov. Williams-Ruth moved to answer question two that there are currently cases pending in the Ninth Circuit and the US Supreme Court and the Board will continue to follow the cases and will work to develop a plan as necessary and needed. Gov. Adewale made a friendly amendment that the process the Board has engaged in has gathered comments from different parts of the state that can be drawn upon in developing a plan. Discussion followed. Director Plachy commented that part of the process included doing a preliminary analysis of a host of scenarios, which is part of the work of contingency planning. The motion passed 8-1. Govs. Abell, Higginson, and Sayani were not present for the vote.

Board of Governors Discussion: Final Report Drafting and Other Next Steps ([link](#))

Executive Director Nevitt outlined next steps for developing a report for the Board's approval.

ADJOURNMENT ([link](#))

There being no objections, Pres. Tollefson adjourned the meeting at 3:08 PM.

Respectfully submitted,

Terra Nevitt
WSBA Executive Director & Secretary

WASHINGTON STATE BAR ASSOCIATION

TO: WSBA Board of Governors
 FROM: Dan Clark, WSBA President-elect
 RE: 2022-2023 Chair Appointments
 DATE: September 13, 2022

Consent: Appointment of the 2022-2023 WSBA committee and board chairs listed below.

The WSBA has a number of standing committees that are created and authorized by the BOG to study matters relating to the general purposes and business of the Bar which are of a continuous and recurring character. Pursuant to the WSBA Bylaws, IX(B)(1)(c), the President-elect annually selects the Chair or Vice Chair of each committee, with the BOG having the authority to accept or reject that selection. Below is the slate of WSBA committee chairs for the 2022-2023 year. The candidates' resumes are attached. All eligible members of the committees listed below were encouraged to apply for the Chair position.

Committee/Board	Recommended for Appointment
Character and Fitness Board	Vice-chair: Christopher Hoxie
Continuing Legal Education Committee	Chair: Sharon Glenn*
Judicial Recommendation Committee	Chair: Susan Brye Vice-Chair: Ian Cairns
Diversity, Equity and Inclusion Council	Co-Chair: Raina Wagner

* reappointment.

CHRISTOPHER HOXIE

5205 W. Clearwater Ave., Kennewick, WA, 99336 · 509-734-8500

Chris@cwlgtc.com · <https://clearwaterlawgrouptricity.com/>

Christopher M. Hoxie is a skilled, experienced, and talented counsel, who has wide experience in mediating disputes. His knowledge base covers many fields, and has recently been augmented by mediation training.

EXPERIENCE

2010 – 2015

LEGAL INTERN/DEPUTY PROSECUTING ATTORNEY, BENTON COUNTY PROSECUTING ATTORNEY'S OFFICE

Served as a Prosecuting Attorney, assisting in the prosecution of offenses of varying seriousness. Participated numerous negotiations regarding plea agreements. Several trials, and multiple appeals.

2016 – 2017

ASSOCIATE, SUTTELL, HAMMER, AND WHITE

Handled hundreds of civil cases, regarding disputes over consumer debts regarding accounts in Washington and Colorado.

2017 – CURRENT

ASSOCIATE AND OWNER, CLEARWATER LAW GROUP

Handled over a 100 family cases, as many or more criminal cases, as well as a smaller but still substantial number of civil cases.

EDUCATION

JUNE 2005

HIGH SCHOOL DIPLOMA, KAMIAKIN HIGH SCHOOL

JUNE 2009

BACHELOR OF ARTS IN GOVERNMENT, EASTERN WASHINGTON UNIVERSITY

JUNE 2012

JURIS DOCTOR, GEORGETOWN UNIVERSITY LAW CENTER

JUNE 2016

MASTER OF CYBERSECURITY AND LEADERSHIP, UNIVERSITY OF WASHINGTON

SKILLS

- Training in Mediation
- Conducted dozens of mediations
- Skilled in dealing with legal, technological, and other problem areas
- Well versed in family and civil law

ACTIVITIES

AUTHOR:

LEGAL CONSIDERATIONS OF CYBERPHYSICAL SYSTEMS

Rither, Alan & Hoxie, Christopher. (2017). Legal Considerations of Cyber-Physical Systems and the Internet of Things: Foundations, Principles and Applications. 10.1002/9781119226079.ch5.

Eagle Scout

Paris Eriksen

From: Sharon Glenn [REDACTED]
Sent: Thursday, August 18, 2022 7:04 PM
To: Paris Eriksen
Cc: Shanthi Raghu
Subject: [External]CLE Committee: Chair
Attachments: Glenn Resume 8.18.22.doc

Follow Up Flag: Follow up
Flag Status: Flagged

Hi, Paris –

Please accept this email as my application to continue to serve as the Chair of the CLE Committee. I have been the Chair of the CLE Committee since 2020. Although I repeatedly encouraged other Committee members to apply for the Chair position for next fiscal year, no one applied. Unfortunately, we are losing 3 seasoned members of the Committee this year. The only other 2 members are new to the Committee as of the 2021-22 fiscal year and, due to quorum issues, we were not able to hold our Q3 meeting. As a result, they have not had much experience serving on the Committee. This next fiscal year (2022-23) will be the last year of my term, and hopefully our new members will bring a renewed enthusiasm to the Committee and interest in applying for the Chair position next year.

My resume is attached.

Warm regards,
SMG

Sharon Glenn
Deputy General Counsel | **Moss Adams**

999 Third Avenue, Suite 2800
Seattle, WA 98104
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[REDACTED]

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SHARON M. GLENN

CURRENT POSITION

2011 – Present **Moss Adams LLP** **Seattle, WA**

Deputy General Counsel

Responsible for a wide range of legal issues impacting the organization, one of the 15 largest public accounting firms in the United States. Responsibilities include:

- Drafting and negotiating engagement agreements with clients, services agreements and licensing agreements with vendors and software providers, independent contractor agreements with subcontractors, non-disclosure agreements, business associate agreements, information security agreements, and marketing related agreements;
- Management of litigation and potential claims involving the firm, including oversight of outside counsel, internal engagement with partners and employees regarding underlying facts and corrective actions, strategic direction on defense, and interfacing with leadership regarding risk management and exposure;
- Spearhead review of potential conflicts of interest to ensure compliance with professional accounting standards, including drafting of all waiver agreements;
- Conduct presentations regarding risk, professional liability, and firm safety; and
- Consultation with partners and employees in the 30+ practice offices located throughout the United States regarding issues of potential risk to the firm, advise the Marketing department regarding advertising and intellectual property issues, consult with the Human Resources department regarding employment issues, and support any other legal needs of the Administrative office in Seattle.

2014 – Present **Seattle University School of Law** **Seattle, WA**

Adjunct Professor, Advertising Law

PRIOR PROFESSIONAL EXPERIENCE

2009 - 2011 **T-Mobile USA, Inc.** **Seattle, WA**

Principal Corporate Counsel

Provide business and transactional support to Marketing Department, Corporate Communications, and Product Management. Day-to-day responsibilities include:

- Drafting and negotiating master services agreements, licensing agreements, sponsorship agreements, co-marketing agreements, contracts with creative agencies and PR agencies, vendor contracts, and market research and subscription license agreements;
- Legal lead on multiple enterprise-wide projects, working with representatives from each major department, including the design and launch of new products and services;
- Legal review of T-Mobile advertising and marketing collateral, press releases and other PR communications, product packaging, in-store retail merchandising, web pages, scripts, and public-facing sales communications, and work with internal clients regarding substantiation for and approval of advertising claims;
- Review and legal guidance regarding upcoming promotions and product launches, including pricing and special offers; and
- Counseling regarding advertising laws, use of social media, design and implementation of sweepstakes and contests, regulatory compliance, and intellectual property issues, including conducting internal client presentations on a regular basis.

2005 - 2009 **JPMorgan Chase Bank, N.A.** **Seattle, WA**
(Formerly Washington Mutual Bank)
First Vice President & Senior Counsel

Responsible for management of all aspects of litigation facing the Company. Matters include large class action litigation, intellectual property claims, commercial contract disputes, individual customer claims, and issues arising from relationships with other financial institutions. Investigate claims resulting in exposure to the company, consult with the respective business units regarding causation of disputes and identification of institutional problems, negotiate resolutions with claimants, and participate in alternative dispute resolution proceedings on behalf of the company. Manage outside counsel, including substantive case management and effective management of outside counsel fees. Directly handle lawsuits pending in Washington as counsel of record for the company. Ensure compliance with terms of settlements and court orders, and advise the appropriate business units regarding risk management and exposure. Report regularly to appropriate business units and senior management on case strategy and status. Provide strategic consultative advice to business units regarding risk assessment and legal/regulatory requirements in a variety of matters to help the business units achieve their goals.

2002-2005 **Byrnes Keller Cromwell LLP** **Seattle, WA**
Litigation Associate

Involvement in and exposure to pre-trial, trial and appellate stages of litigation and alternative dispute resolution in multiple areas of complex commercial litigation, including class actions: Professional Liability, Intellectual Property, Breach of Contract, Breach of Fiduciary Duties, and other Business Torts.

1994-1999 **Long Aldridge & Norman LLP** **Atlanta, GA**
(Now part of Dentons US LLP)
Associate: Litigation Department

Involvement in and exposure to pre-trial, trial and appellate stages of litigation and alternative dispute resolution in multiple areas of complex civil litigation, including: Securities Fraud, Intellectual Property, Business Torts, Insurance Coverage Issues (on behalf of insured), and Antitrust.

CLERKSHIP EXPERIENCE

2001-2002 **Law Clerk to the Honorable Susan H. Black** **Jacksonville, FL**
United States Court of Appeals for the Eleventh Circuit

1999-2001 **Law Clerk to the Honorable Robert L. Hinkle** **Tallahassee, FL**
United States District Court for the Northern District of Florida

PROFESSIONAL HONORS & ASSOCIATIONS

Super Lawyer, *Washington Law & Politics*, 2008
Rising Star, *Washington Law & Politics*, 2005, 2006, 2007
Washington State Bar Association, Continuing Legal Education Committee, 2018-present (Chair, 2020-22); Judicial Recommendation Committee, 2012-2018 (Vice-Chair 2016-17, Chair 2017-18); Amicus Brief Committee, 2007-2009
Housing Justice Project, Volunteer, 2007-2009, 2008 Volunteers of the Year
Bar Admissions: Georgia, 1994; Washington, 2002

EDUCATION

1991 - 1994 **Wake Forest University School of Law** **Winston-Salem, NC**
Class Rank: 4th

Honors:

- A.J. Fletcher Scholarship (full scholarship)
- Inns of Court, North Carolina
- American Jurisprudence Awards for: Civil Procedure; Secured Transactions; Decedents, Estates & Trusts; and Legal Research and Writing
- West Publishing Company Award for Outstanding Scholastic Achievement

Work Experience:

- Intern, U.S. Attorney's Office for the Middle District of North Carolina (Spring 1994)
- Teaching Assistant to Prof. Luellen Curry, Legal Research & Writing (1992-1993)
- Research Assistant to Prof. Ralph Peeples (Summer 1992)

Achievements/Organizations:

- Wake Forest Law Review
- Vice-President, Trial Bar Association
- Semi-Finalist, Zeliff Trial Competition
- Quarterfinalist, First Year Trial Bar Competition

1987 - 1991 **University of Virginia** **Charlottesville, VA**
McIntire School of Commerce

Bachelor of Science in Business

Concentration: Accounting

- Research Assistant to Professor Brad Brown (1990-1991)
 - Program Director, Madison House HELP Line (1990-1991)
 - Volunteer, Madison House HELP Line (1988-1991)
-

Susan A. Brye

[REDACTED]
[REDACTED]
O: (425) 383-5865
[REDACTED]
[REDACTED]

July 19, 2022

via email to parise@wsba.org

Ms. Paris Eriksen
Volunteer Engagement Advisor, Office of the Executive Director
Washington State Bar Association
1325 Fourth Avenue Suite 600
Seattle, WA 98101-2539

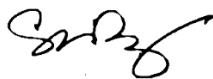
Dear Ms. Eriksen:

As requested, attached is my resume for consideration of my appointment as Chair of the WSBA's Judicial Selection Committee (JRC). I am currently the Vice Chair of the JRC and have been on the Committee since 2017. It would be an honor to serve in the capacity as Chair and I am fully committed to the time and attention this position requires and to upholding the Board of Governors' high standard of integrity and adherence to the JRC's Guidelines.

The Committee serves a critical role in Washington and to our judicial branch. The quality of our court system is defined, in part, by the quality of our judiciary and as Chair I would uphold the Board of Governors' mandate to evaluate and rate applicants based on objective and non-discriminatory personal and professional qualifications and criteria. As a practitioner in Washington State for over 30 years, of which 15 years has been spent managing a national practice as in-house counsel, I have had considerable exposure to a broad range of jurists across the U.S. That experience has given me a unique exposure to varying qualities of appellate counsel and a deeper appreciation of the thoroughness of the WSBA's JRC process. I am also well versed and experienced with the operational requirements of the JRC and as a prospective Chair I will execute my duties and obligations with the highest degree of care.

I respectfully seek appointment as the Chair of the Judicial Recommendation Committee effective the start of the next Committee term. I am available for interview or questions, as necessary.

Sincerely,



Susan A. Brye

cc: sanjayw@wsba.org

Susan A. Brye

Senior legal and business executive with extensive experience implementing programs and developing high-impact teams. Corporate generalist attorney with transactional and commercial litigation experience who places a premium on strategic support, operational efficiency, and practical problem solving. Subject matter expertise on issues including cybersecurity; data privacy protections; technology transactions; regulatory compliance; incident response; vendor and supply chain risk; contracts and remedies; government investigations, and creditors' remedies.

CORE COMPETENCIES: Executive Leadership, Technology Transactions, Business Process Improvement, Risk Strategy, Operational Performance, Cost Control, Vendor Risk Management, Legal Services Operations, and Technology Transformation.

PROFESSIONAL EXPERIENCE

Senior Director, Legal Affairs, National Security & Public Sector September 2021 – Present
T-Mobile U.S., Inc., Bellevue, WA

Leading a team of legal and compliance professionals focused on national security, cybersecurity, third-party risk, public sector compliance, and implementation of related regulatory and compliance obligations. Manage a team of 16 people.

- Responsible for managing strategic partnerships with federal national security agencies to protect critical infrastructure, and U.S. customer information and intellectual property from security vulnerabilities, exploitation, and foreign influence.
- Responsible for regulatory support to federal, state and local customer entities, and legal counsel to public sector sales and contracting teams.
- Supporting technology transactional teams to negotiate and define security and privacy risk tolerances for critical vendor hardware, software, master and cloud services agreements, including engagement with vendors and their counsel in deal negotiations. Serve as an internal escalation point of contact on security and privacy issues to clear negotiation blockers.
- Strategic support of legal and compliance initiatives to proactively reduce and mitigate risk and oversee activities critical for compliance with legal and regulatory obligations.

Senior Director, Third-Party Risk February 2017-August 2021
T-Mobile U.S., Inc., Bellevue, WA

Designed and implemented a dedicated function at T-Mobile focused on identifying and mitigating third-party risks in the areas of cybersecurity, privacy, national security, supply chain, financial, business continuity, geopolitical, and other areas of potential concern. Managed a 22-person team.

- Implemented a unified risk strategy for engaged and prospective third parties across the enterprise. Collaborated with business and support teams on risk strategies and tolerances, establishment of processes to monitor and measure third party risks, and development of defensive compliance practices.

- Leveraged technology tools, and data analytics to support operational practices and reporting to identify gaps, solve for disparate compliance needs, and facilitate risk-based decisioning.
- Key decision maker in contract negotiations and support of external transactional counsel on critical risk terms and conditions, in particular security and compliance requirements and indemnities and limitations of liability. Engagement with vendor professionals and legal teams to clear deal roadblocks and align on enterprise requirements.

Director, Corporate Counsel

May 2010-February 2017

Starbucks Coffee Company, Seattle, WA

Managed complex litigation and transactions in the areas of intellectual property, cybersecurity, data privacy, government investigations, complex commercial disputes, and commercial real estate.

- Managed infringement claims, class action and multi-district litigation, commercial litigation, commercial real estate lease disputes and vendor issues.
- Developed a legal cyber incident and breach response program and managed related engagement with regulators, customers, and other stakeholders.
- Enhanced processes to support legal technology needs, including regarding litigation holds, eDiscovery, internal data collection and outsourced vendor management
- Managed a team of direct reports

Assistant General Counsel / First Vice President & Senior Counsel

Sept 2008-May 2010

JPMorgan Chase Bank, N.A. / Washington Mutual Bank, Seattle, WA

Primary responsibility for complex and multi-district litigation in the areas of mortgage securitizations, consumer and business banking regulations, intellectual property, government investigations, and corporate governance.

- Managed class actions and multi-district litigation in the areas of 10b-5 securities claims, asset-backed securities litigation, lender liability defense, mortgage regulations, account disclosures, and syndicated lending disputes
- Managed intellectual property litigation and licensing disputes
- Defense of regulations, including under RESPA, TILA, and predatory lending laws
- Managed a broad range of responses to the OCC, OTC, FDIC, OIG and SEC
- Managed direct reports

Regarding JPMorgan's asset acquisition of Washington Mutual Bank (WaMu):

- Managed the transition of litigation-related liabilities from WaMu to JPMorgan, including negotiations with the FDIC
- Oversaw witness preparation and strategy regarding Congressional and other regulatory investigations into WaMu's dissolution and related corporate governance issues
- Support of bankruptcy issues concerning WaMu's holding company, Washington Mutual, Inc.
- Developed programs to transition and upload WaMu data to JPMorgan's platforms

Member/Partner

Oct 1996-Sept 2007

Lane Powell, P.C., Seattle, WA

Blended litigation-transactional practice predominantly representing institutional lenders and secured creditors in business bankruptcies and reorganizations and negotiated workouts. Additionally handled commercial litigation, intellectual property, aviation leasing, and commercial real estate transactions.

Judicial Law Clerk, Pro Tempore

May 1996-Oct 1996

*U.S. Bankruptcy Court (W.D. WA), Honorable Thomas T. Glover
Seattle, Washington***Judicial Law Clerk Extern**

Sept 1994-Dec 1994

*Ninth Circuit Court of Appeals (BAP), Honorable Sidney C. Volinn
Seattle, Washington***EDUCATION****Seattle University School of Law, Seattle, WA***J.D., cum laude, 1995***Washington State University, Pullman, WA***B.A., Finance & Marketing, Carson College of Business, 1989***ACTIVITIES AND HONORS**

- Board Member, Eastside Legal Assistance Program, 2017-Present
- Washington State Bar Association, Judicial Recommendation Committee, 2016-Present (Vice Chair 2021)
- Association of Corporate Counsel, NW Chapter *Pro Bono* Committee, 2016-Present
- Pro Bono Counsel for Delridge Neighborhood Development Association, 2012-Present
- Volunteer, First Responder's Wills Clinic, 2010-2016
- Volunteer and Former Chair, Street Law, Chief Sealth High School, 2014-2020
- 2013 "Boss of the Year" Award, National Association of Legal Professionals, Seattle, WA

BAR ADMISSIONS

Washington State Bar, Admitted 1995

Ninth Circuit Court of Appeals, Admitted 2000

United States Court of Appeals, Federal Circuit, Admitted 2014

United States District Court, Eastern and Western Districts of Washington

**SMITH
GOODFRIEND P.S.**
CIVIL APPEALS

IAN C. CAIRNS
HOWARD M. GOODFRIEND
CATHERINE WRIGHT SMITH
VALERIE A. VILLACIN
JONATHAN B. COLLINS

1619 8th Avenue North
Seattle, Washington 98109
Facsimile: 206.624.0809
Telephone 206.624.0974
www.washingtonappeals.com

MALCOLM L. EDWARDS
(1932-2019)

July 26, 2022

Sanjay Walvekar, J.D.
Legislative Affairs Manager
Washington State Bar Association
1325 Fourth Avenue, Suite 600
Seattle, WA 98101-2539

Re:

Dear Sanjay:

This letter is to convey **my interest in serving as Vice Chair of the WSBA's Judicial Recommendation Committee** beginning in October 2022. I have served on the Judicial Recommendation Committee for five years now and would be excited to elevate my service to the committee by serving as Vice Chair.

Very truly yours,

/s/ Ian C. Cairns

ICC

IAN C. CAIRNS
SMITH GOODFRIEND, P.S.
CIVIL APPEALS
1619 8th Avenue North
Seattle, WA 98109-3007
(206) 624-0974
[REDACTED]
ian@washingtonappeals.com

WORK EXPERIENCE

SMITH GOODFRIEND, P.S., 2010-Present.

Shareholder in firm since January 2018. Appellate litigation practice, providing representation in cases in all three divisions of the Court of Appeals, the Washington State Supreme Court, and the Ninth Circuit Court of Appeals. Trial practice limited to appeal-related matters.

STUDENT ATTORNEY, Federal Appellate Advocacy Clinic, University of Washington School of Law (2009-2010).

LEGAL INTERN, The Honorable James L. Robart, United States District Court, Western District of Washington (June 2009-September 2009).

BAR ADMISSIONS

State of Washington; United States Court of Appeals, Ninth Circuit; United States District Court, Western District of Washington.

EDUCATION

J.D., June 2010, University of Washington; Order of the Coif; Washington Law Review, Notes and Comments Editor, Moot Court Honor Board, Member.

M.P.A., 2010, University of Washington Daniel J. Evans School of Public Affairs.

B.A., June 2004, University of Washington; Dean's List.

PROFESSIONAL ACTIVITIES

Executive Committee Member, KCBA Appellate Section. (2014-18)

Member, Washington State Bar Association Amicus Committee. (2015-2016)

Chair, Washington State Bar Association Amicus Committee. (2017)

Member, Washington State Bar Association Judicial Recommendation Committee. (2017-Present)

Chair, KCBA Appellate Section. (2019)

Member, Washington Supreme Court Word Count Workgroup. (2018-21)

PUBLICATIONS

Co-Author, Civil Appellate Practice chapter, King County Bar Association, *Washington Lawyer's Practice Manual* (2013-Present)

Always Appealing, Seeking Supreme Court review – who gets the last word? *King County Bar Association Bar Bulletin* (September 2020)

Always Appealing, Did the sky fall? A retrospective on allowing the citation of unpublished opinions. *King County Bar Association Bar Bulletin* (January 2021)

Always Appealing, Washington's Supreme Court continues to write influential Decision. *King County Bar Association Bar Bulletin* (July 2021)

Always Appealing, When waiting to seek review can hurt your client. *King County Bar Association Bar Bulletin* (January 2022)

Always Appealing, Courts should focus on the “notice” in notice of appeal. *King County Bar Association Bar Bulletin* (June 2022)

SPEAKING ENGAGEMENTS

Family Law Hot Topics CLE, King County Bar Association, October 2015

Open Courts v. Privacy, King County Bar Association Appellate Section, June 2015

Record on Review, WSBA Appellate Law CLE, September 2020

HONORS AND AWARDS

Super Lawyers - Rising Star (2018-2022)

RAINA WAGNER



WSBA Diversity, Equity and Inclusion Council
Washington State Bar Association
1325 Fourth Ave., Suite 600
Seattle, WA 98101-2539

August 19, 2022

Dear Diana and Imani:

Thank you for considering my application to co-lead the WSBA DEI Council. I am excited about the opportunity to expand my work in the Diversity space in Washington State, and hopeful that my experience as a lawyer, professional communicator, woman of color, a longtime leader of a minority bar association, and 2022 member of the WSBA Diversity Committee.

I bring decades of professional experience to hand. Since 2013, I have been an attorney with the global law firm K&L Gates, where I have a robust practice as a senior associate in our complex commercial disputes and construction law practice groups. As a civil litigator, I am a seasoned dispute resolution and negotiation professional. As a construction lawyer, I support firm partners and clients on large-scale construction projects dealing with property law, general contracting, subcontractor relationships, and Washington regulation compliance. I have also worked on client or firm projects involving class-action defense, education law, and even some plaintiff-side litigation. Through my work with school districts, I have a solid understanding of compliance with the Washington Public Records Act, and the privacy concerns that emerge in that space.

Most recently, I served as an adjunct lecturer at the Seattle University School of Law. In teaching negotiations, I developed and taught negotiation theory, helping young budding lawyers learn techniques to find zones of common agreement and reach mutually beneficial outcomes. Along with my experience teaching, guiding, and leading these aspiring lawyers, I have also been a longtime mentor to young lawyers in the Minority Joint Mentoring Program, and through the semi-annual mentoring opportunities at the Loren Miller Bar Association, of which I am a former president. As a woman, non-traditional, second-career lawyer of color who has been mentored and supported by women who came before me, I know the importance of helping those who come after me to climb their career ladders. I intend to use these teaching and mentoring skills to encourage the paralegals on my team to lead and complete cross-department projects, and stretch their skills into previously unexplored new challenges.

I know the world of experiences I bring can be an asset as a leader the Council, and I hope you agree. Thank you again for your consideration.

Cordially,

Raina Wagner

RAINA WAGNER

LEGAL EXPERIENCE

K&L Gates, LLP, Seattle, WA

Senior Associate (January 2013-present)

- Commercial litigation associate at global corporate law firm; deep experience in complex disputes, e-discovery, trial preparation, mediation/arbitration, witness and deposition preparation, motion practice, legal research, contract negotiation, appeals, team leadership, junior associate supervision, and mentoring. Developed broad litigation subject matter mastery, including: defamation; toxic tort; consumer protection and product liability; Public Records Act/privacy advice; FOIA and other First Amendment; and class action defense.
- Seconded to firm client Starbucks Coffee Company in 2018-19 and 2021 to manage General Liability docket, including up to 160 active cases in U.S. and Canada. Key member of Starbucks Litigation Team, consulting with and managing the budgets of dozens of outside counsel to manage corporate defense in cases ranging from personal injury, discrimination, ADA, and defamation to premises liability and trespass; expertise also includes some corporate employment (restraining order/workplace protection order) and commercial (third-party subpoena/e-discovery).
- Construction law practice includes construction contract advice to local, national and international clients, advising on multistage, complex real estate and building projects.
- Pro bono leader: devoted 50-100 hours per year to pro bono clients seeking *vacatur* of convictions as sexual trafficking victims, and spearheading a resentencing/clemency petition.

Achievements: 2021 Best Lawyers in America (Seattle): Commercial Litigation Ones to Watch

Seattle University School of Law, Seattle, WA

Adjunct Professor (2021): Taught 3L graduating students in a workshop, experiential Negotiations class, moving beyond positional bargaining and focusing on collaboration, mutually beneficial creative solutions, and justice-oriented relationship building in modern negotiation theory.

Fennemore Craig, P.C., Tucson, AZ

Legal Intern (Spring 2011): Commercial law, including medical malpractice and insurance defense.

Southern Arizona Legal Aid, Inc., Tucson, AZ

University of Arizona Mortgage & Bankruptcy Clinic Intern (Fall 2011): Managed clients going through bankruptcy, home-loan modifications and homeowner fraud litigation.

Arizona Court of Appeals, Chambers of Judge Peter Eckerstrom, Tucson, AZ

Extern (Fall 2010): Oral, written appellate practice, including drafting court of appeals decisions.

JOURNALISM AND TEACHING EXPERIENCE

The Seattle Times, Seattle, WA

Assistant Features Editor, Arts & Entertainment (2005-2009): Entertainment editor leading a team covering music, theater, Seattle nightlife and restaurants; directed new section design, and helped lead A&E coverage online.

Achievements: 2005 NEA Classical Music Fellow

Arizona Daily Star, Tucson, AZ

Assistant Features Editor, Features & Home (2000, 2003-2005): Managed team of reporters and ran production of multiple daily-section stories on Features beats ranging from neighborhood news to home and garden.

Achievements: 1999 Employee of the Year; named section editor in 2004.

University of Arizona, Tucson, AZ

Adjunct Professor (2002-2003): Taught composition and creative writing.

Graduate Assistant in Teaching (2000-2002): Taught English composition and fiction writing while earning MFA in Creative Writing.

Achievements: Post-class student surveys of Outstanding each semester.

EDUCATION

University of Arizona James E. Rogers College of Law, Tucson, AZ

Juris Doctor with Environmental Law Focus, May 2012

Achievements

- **Honors & Awards:** 2012 Outstanding Graduating Senior, College of Law; 2011 CALI Award, Education Law; Dean's List, 2012, 2011, 2010, 2009; Arizona Journal of Environmental Law & Policy Board Member (2L: Articles Manager; 3L: SME); 2009 Richard Grand Legal Writing Competition, Honorable Mention
- **Fellowships & Committees:** 2011 Constitutional Law Fellow; 2010 Writing Fellow; 2011 Member of the Student Self-Study Advisory Group for college ABA recertification; 2011-2012 Student Member of the Faculty Appointments Committee
- **Scholarships:** 2011 2L Minority Writing Program Scholar; 2010-2011 Fennemore Craig/Cal Udall Scholar; 2010-2011 G. Lynn Thompson Award; 2011 Ralph E. Long Memorial Award; 2009 Arizona Minority Bar Association Scholarship; Law College Association Scholarships, 2009-2010, 2010-2011, 2011-2012

Activities

- Black Law Students Association—2010-2011 President, 2011-2012 Director of the Tucson Urban League Community Legal Referral Clinic
- Business Law Program

University of Arizona, Tucson, AZ

Master of Fine Arts, Creative Writing, May 2002

Awarded teaching fellowships in 2000, 2001 and 2002

University of Arizona, Tucson, AZ

Bachelor of Arts, History; Minor: Journalism/Spanish, August 2000, Cum Laude, Phi Beta Kappa

Achievements

- Greek Sophomore Woman of the Year and Greek Senior Woman of the Year
- Robie Medalist: One of six annual outstanding undergraduate commencement awards

Activities

- Arizona Ambassadors: Member of student tour guide and recruitment group
- 1995 Fiesta Bowl Court: First-runner up

COMMUNITY INVOLVEMENT

Loren Miller Bar Association, Seattle, WA (2013-present)

2019-2020 President of Washington Black Bar Association, dedicated to supporting African-American lawyers and law students. Other offices: Treasurer, V.P. Membership, Webmaster.

Washington Bar Association, Seattle, WA (2014-present)

Member Civil Rights Division.

King County Bar Association, Seattle, WA (2014-present)

Volunteer with KCBA Housing Justice Project and Renton Neighborhood Legal Clinic.

Washington Women Lawyers, Seattle, WA (2013-present)

Co-Vice President Annual Event for 2014-2015 WWL Board.

National Association of Black Journalists/Seattle Association of Black Journalists, Seattle, WA

(1998-2000, 2004-2009): Member of the local and national chapters of the minority advocacy, mentoring and networking organization. Served as SABJ Secretary 2008-2009.

Southern Arizona Symphony Orchestra, Tucson, AZ (1996-2005, 2009-2012): Member (cellist) of community-based symphony, performing at least 8 concerts per season.

TO: WSBA Board of Governors

CC: Terra Nevitt, Executive Director

FROM: Dee Knapp, ADR Executive Committee member, on behalf of the WSBA Alternate Dispute Resolution Section Executive Committee Meeting
Julianne Unite, WSBA Member Services and Engagement Manager
Carolyn MacGregor, WSBA Sections Program Specialist

DATE: July 8, 2022

RE: WSBA Alternative Dispute Resolution Section Bylaws Amendments

ACTION: Approve the WSBA Alternative Dispute Resolution Section’s Proposed Bylaws Amendments

Brief Summary/Purpose of the Request

- 1) Change the name from “Alternative Dispute Resolution Section” to “Dispute Resolution Section” to be more inclusive and to incorporate multiple areas of dispute resolution. NY, MA, ID, AL, and several other states have changed to Dispute Resolution.
- 2) Change “inactive” status members from being mere subscribers and giving them voting status also to be more current and inclusive. Many attorneys who are full time neutrals or arbitrators have changed their status to “inactive”. Additionally, many lawyers have retired but are still active as neutrals or arbitrators or specialize in other dispute resolution processes are, or would like to, be voting members of the committee and their vote and participation are valued.
- 3) Change the word “emeritus” to “honorary” to be in line with the categories of membership WSBA has.

Process under which the section discussed and voted to approve these amendments

In accordance with the Article IX of the Alternative Dispute Resolution Section Bylaws, these proposed bylaws amendments were approved at a regular meeting of the executive committee of the Section called for the purpose of amending the bylaws and were made reasonably available to the public. They were approved by a majority vote of the executive committee once quorum was established at consecutive meetings on May 20, 2022, and on June 17, 2022.

Stakeholder Input

There was no Stakeholder analysis/feedback, there are no financial impacts to this change, the change is in compliance with all bar rules and there are no implementation implications.

WSBA RISK ANALYSIS: This section is to be completed by the Office of General Counsel, with input from the proposing entity or individual.

These proposed Bylaw amendments do not appear to pose legal risks to the WSBA, including risks to the section.

Signed,

Dee Knapp, Member, Alternate Dispute Resolution Executive Committee

Attachments

- Redline version of the Alternate Dispute Resolution Section bylaws
- Clean version of the Alternate Dispute Resolution Section bylaws

WASHINGTON STATE BAR ASSOCIATION
DISPUTE RESOLUTION SECTION
BYLAWS

(As Last Amended and Approved by the Washington State Bar Association Board of Governors
on November 23, 2019)

ARTICLE I. NAME

This section shall be known as the “Dispute Resolution Section” (hereinafter referred to as the “Section”) of the Washington State Bar Association (hereinafter referred to as “Association”).

ARTICLE II. MEMBERSHIP

Any Active or Inactive member of the Association, Honorary,, Pro Bono member (APR 8(e)), Judicial Member, House Counsel (APR 8(f)), professor at a Washington law school (whether licensed in Washington or not), or any lawyer who is a full time lawyer in a branch of the military who is stationed in Washington but not licensed in Washington, may be enrolled as a voting member of this Section upon request and payment of annual Section dues in the amount and for the purpose approved by the Board of Governors of the Association pursuant to Article 5.5 of these Bylaws. In addition, others may be subscribers of the Section by paying the Section dues established by the Section and approved by the Board of Governors, and law students may be subscribers of the Section by paying the standard annual law student dues amount set by the Board of Governors. Subscriber members are non-voting members of the Section and may not hold an elected office.

ARTICLE III. OFFICERS

The officers of this Section shall be the Chair, Vice-Chair, Secretary and Treasurer. No individual may hold more than one officer position at a time.

ARTICLE IV. DUTIES OF OFFICERS

4.1 Chair

The Chair, as chief executive officer, shall preside at all meetings of the executive committee and of the Section membership, and have such other executive powers and perform such other duties as are not inconsistent with these bylaws or the Bylaws of the Association. The Chair has discretion to appoint other members of the executive committee to perform some of the tasks normally performed by the Chair.

4.2 Vice Chair

The Vice Chair shall perform all duties of the Chair during the latter's absence or inability to act and, when so acting, shall have all the executive powers and perform such other duties as are not inconsistent with these bylaws or the Bylaws of the Association. The Vice Chair shall have such other powers and perform such other duties not inconsistent with these bylaws as, from time to time, may be requested by the Chair or the executive committee.

4.3 Secretary

The Secretary shall be responsible for the taking of minutes at each meeting of the Section and the executive committee, and the transcription and distribution of such minutes to the members of the Section and to the Association for publication and record retention. The Secretary shall also send timely notices of executive committee meetings and the annual meeting.

4.4 Treasurer

The Treasurer shall be responsible for maintaining accurate records of the finances of this Section, tracking the dues and other receipts of the Section, and approving the necessary disbursements thereof, consistent with the budget and subject to such procedures as shall be prescribed by the executive committee or the Board of Governors of the Association. The Treasurer will work with the Association to ensure that the Section complies with Association fiscal policies and procedures, work with the Association to prepare the Section's annual budget, and review the Section's monthly financial statements for accuracy and comparison to budget.

4.5 Term.

The term of office of each Officer shall commence on October 1 and shall be for one year, except that the term for Chair shall be for two years, and the Executive Committee voting term for Immediate Past Chair shall expire when a new Immediate Past Chair assumes the position.

ARTICLE V. EXECUTIVE COMMITTEE

5.1 Membership

There shall be an executive committee composed of all the officers of this Section, the Immediate Past Chair of this Section, the Young Lawyer Liaison and up to eight (8) other At-Large members. All other past Chairs of this Section shall be non-voting ex officio members of the executive committee.

5.2 Term.

The term of each member of the executive committee, other than officers, shall begin on October 1, and be for three (3) years, or until the member resigns or is removed for cause. The terms shall be staggered so that approximately three (3) members will have terms expiring each year. Therefore, before elections are held for the beginning of the October 1, 2020 term, three of the executive committee terms expiring September 30, 2020 shall be designated to expire September 30, 2022 instead of 2023. The executive committee may, by majority vote, appoint members to the executive committee to fill an unexpired term. When a member is appointed to fill a vacancy in an unexpired term, the member

will do so until the next annual election when an individual will be elected to serve the remainder of the vacated term. Any member may be removed from the executive committee by a two-thirds majority vote of the sitting voting members. Grounds for removal shall include, but are not limited to, regular absence from executive committee meetings (failing to attend two-thirds, i.e., eight out of twelve, of the monthly meetings) and events, failing to perform job duties, unprofessional or discourteous conduct or whenever, in the executive committee's judgment, the executive committee member is not acting in the best interest of the Section membership. The member shall be provided the reason(s) in writing and may, if he or she chooses, present his or her reasons for his or her acts or omissions at the next regular meeting of the Executive Committee meeting. If a majority of the Executive Committee still determines that the member should be removed, a replacement shall be appointed.

5.3 Duties

The executive committee shall supervise and direct the affairs and determine the policies of this Section, subject to and in accordance with these bylaws and the Bylaws and policies of the Association.

5.4 Meetings

The executive committee may act at a meeting duly called. A majority of the voting members of the executive committee shall constitute a quorum to transact business. Meetings shall be called by the Chair or by a majority of the members of the executive committee, and notice of such meetings shall be given to members of the executive committee and made reasonably available to the public not less than three days prior to such meeting.

5.5 Dues

The executive committee shall have the right to assess annual Section membership dues upon each member of this Section, subject to approval by the Board of Governors of the Association.

ARTICLE VI. COMMITTEES

6.1 Standing Committees

The chair of each standing committee shall be selected for the next year, which begins October 1, by the Chair or Chair-elect, if applicable, upon the approval of the executive committee. The committee chair shall serve for one year, unless reappointed by the next Chair or Chair-elect. In addition, the Chair shall have the power, in consultation with the executive committee, to appoint such ad hoc committees as are necessary for the purpose of furthering the objectives of this Section.

6.2 Members

The Chair shall have the power to designate the members of standing committees of this Section in consultation with the executive committee. The members of the standing committees shall be

selected from among members of this Section by the Chair in consultation with each committee chair.

ARTICLE VII. MEETINGS OF MEMBERS

7.1 Meetings

This Section may hold an annual meeting of its members at any time called for by the Chair subject to approval of the executive committee. Special meetings of the members may be called by the Chair, Vice Chair, or a majority of the members of the executive committee.

7.2 Notices

Notice of the time and place of all meetings shall be given to all members of this Section and made reasonably available to the public at least five days prior to the meeting date.

7.3 Quorum

Ten voting members shall constitute a quorum for the transaction of business at any meeting of this Section.

7.4 Rules of Order

All meetings of this Section shall be guided by Robert's "Rules of Order, Newly Revised" or The Standard Code of Parliamentary Procedure, Latest Edition (formerly the Sturgis Standard Code of Parliamentary Procedure).

ARTICLE VIII. ELECTIONS

8.1 Time

This Section shall hold a regular annual election of officers, except for the second year of office of the Chair, and At-Large members of the executive committee for open At-Large seats. Nominations and elections will be held between March and May each year.

8.2 Nominating Committee

The nominating committee shall consist of the Immediate Past Chair, the current Chair and the Vice Chair, and one Section member who is not currently a voting member of the executive committee. The nominating committee shall nominate one or more members of this Section for each of the offices of Chair, Vice Chair, Secretary and Treasurer, and for the open At-Large executive committee positions. All applicants will apply through an electronic application process administered by the Association. The executive committee will also have an alternative nominating process to allow for nominations to occur outside of the nominating committee process. The executive committee will approve a list of nominees for each open position. Persons nominated through an alternative nomination process will be included on the final list of approved nominees.

8.3 Procedure

ADR SECTION BYLAWS

The Association will administer the elections by electronic means and certify the results, unless the Section develops its own equivalent electronic election process. In the event of a tie, the winner will be determined by a single toss of a coin.

ARTICLE IX. AMENDMENTS TO BYLAWS

These bylaws may be amended at any annual meeting of the Section by a majority vote of the voting members of the Section present. These bylaws may also be amended at any regular or special meeting of the executive committee of the Section called for the purpose of amending the bylaws and upon seven days written notice to members of the executive committee and made reasonably available to the public, and by a majority vote of the voting members of the executive committee present, once a quorum is established. No amendment to these bylaws shall become effective until approved by the Board of Governors of the Association. These bylaws are subject to the Bylaws of the Association.

As last amended and adopted by the executive committee of the Section on September 20, 2019.

Approved by the Board of Governors of the Association on November 23, 2019.

WASHINGTON STATE BAR ASSOCIATION
~~ALTERNATIVE~~ DISPUTE RESOLUTION SECTION
BYLAWS

(As Last Amended and Approved by the Washington State Bar Association Board of Governors
on November 23, 2019)

ARTICLE I. NAME

This section shall be known as the “~~Alternative~~ Dispute Resolution Section” (hereinafter referred to as the “Section”) of the Washington State Bar Association (hereinafter referred to as “Association”).

ARTICLE II. MEMBERSHIP

Any Active or Inactive member ~~in good standing~~ of the Association, Honorary, Emeritus, Pro Bono member (APR 8(e)), Judicial Member, House Counsel (APR 8(f)), professor at a Washington law school (whether licensed in Washington or not), or any lawyer who is a full time lawyer in a branch of the military who is stationed in Washington but not licensed in Washington, may be enrolled as a voting member of this Section upon request and payment of annual Section dues in the amount and for the purpose approved by the Board of Governors of the Association pursuant to Article 5.5 of these Bylaws. In addition, ~~inactive members of the Association and~~ others may be subscribers of the Section by paying the Section dues established by the Section and approved by the Board of Governors, and law students may be subscribers of the Section by paying the standard annual law student dues amount set by the Board of Governors. Subscriber members are non-voting members of the Section and may not hold an elected office.

ARTICLE III. OFFICERS

The officers of this Section shall be the Chair, Vice-Chair, Secretary and Treasurer. No individual may hold more than one officer position at a time.

ARTICLE IV. DUTIES OF OFFICERS

4.1 Chair

The Chair, as chief executive officer, shall preside at all meetings of the executive committee and of the Section membership, and have such other executive powers and perform such other duties as are not inconsistent with these bylaws or the Bylaws of the Association. The Chair ~~may, at his or her has~~ discretion, to appoint other members of the executive committee to perform some of the tasks normally performed by the Chair.

ADR SECTION BYLAWS

4.2 Vice Chair

The Vice Chair shall perform all duties of the Chair during the latter's absence or inability to act and, when so acting, shall have all the executive powers and perform such other duties as are not inconsistent with these bylaws or the Bylaws of the Association. The Vice Chair shall have such other powers and perform such other duties not inconsistent with these bylaws as, from time to time, may be requested by the Chair or the executive committee.

4.3 Secretary

The Secretary shall be responsible for the taking of minutes at each meeting of the Section and the executive committee, and the transcription and distribution of such minutes to the members of the Section and to the Association for publication and record retention. The Secretary shall also send timely notices of executive committee meetings and the annual meeting.

4.4 Treasurer

The Treasurer shall be responsible for maintaining accurate records of the finances of this Section, tracking the dues and other receipts of the Section, and approving the necessary disbursements thereof, consistent with the budget and subject to such procedures as shall be prescribed by the executive committee or the Board of Governors of the Association. The Treasurer will work with the Association to ensure that the Section complies with Association fiscal policies and procedures, work with the Association to prepare the Section's annual budget, and review the Section's monthly financial statements for accuracy and comparison to budget.

4.5 Term.

The term of office of each Officer shall commence on October 1 and shall be for one year, except that the term for Chair shall be for two years, and the Executive Committee voting term for Immediate Past Chair shall expire when a new Immediate Past Chair assumes the position.

ARTICLE V. EXECUTIVE COMMITTEE

5.1 Membership

There shall be an executive committee composed of all the officers of this Section, the Immediate Past Chair of this Section, the Young Lawyer Liaison and up to eight (8) other At-Large members. All other past Chairs of this Section shall be non-voting ex officio members of the executive committee.

5.2 Term.

The term of each member of the executive committee, other than officers, shall begin on October 1, and be for three (3) years, or until the member resigns or is removed for cause. The terms shall be staggered so that approximately three (3) members will have terms expiring each year. Therefore, before elections are held for the beginning of the October 1, 2020 term, three of the executive committee terms expiring September 30, 2020 shall be designated to expire September 30, 2022 instead of 2023. The executive committee may, by majority vote, appoint members to the executive committee to fill an unexpired term. When a member is appointed to fill a vacancy in an unexpired term, the member

will do so until the next annual election when an individual will be elected to serve the remainder of the vacated term. Any member may be removed from the executive committee by a two-thirds majority vote of the sitting voting members. Grounds for removal shall include, but are not limited to, regular absence from executive committee meetings (failing to attend two-thirds, i.e., eight out of twelve, of the monthly meetings) and events, failing to perform job duties, unprofessional or discourteous conduct or whenever, in the executive committee's judgment, the executive committee member is not acting in the best interest of the Section membership. The member shall be provided the reason(s) in writing and may, if he or she chooses, present his or her reasons for his or her acts or omissions at the next regular meeting of the Executive Committee meeting. If a majority of the Executive Committee still determines that the member should be removed, a replacement shall be appointed.

5.3 Duties

The executive committee shall supervise and direct the affairs and determine the policies of this Section, subject to and in accordance with these bylaws and the Bylaws and policies of the Association.

5.4 Meetings

The executive committee may act at a meeting duly called. A majority of the voting members of the executive committee shall constitute a quorum to transact business. Meetings shall be called by the Chair or by a majority of the members of the executive committee, and notice of such meetings shall be given to members of the executive committee and made reasonably available to the public not less than three days prior to such meeting.

5.5 Dues

The executive committee shall have the right to assess annual Section membership dues upon each member of this Section, subject to approval by the Board of Governors of the Association.

ARTICLE VI. COMMITTEES

6.1 Standing Committees

The chair of each standing committee shall be selected for the next year, which begins October 1, by the Chair or Chair-elect, if applicable, upon the approval of the executive committee. The committee chair shall serve for one year, unless reappointed by the next Chair or Chair-elect. In addition, the Chair shall have the power, in consultation with the executive committee, to appoint such ad hoc committees as are necessary for the purpose of furthering the objectives of this Section.

6.2 Members

The Chair shall have the power to designate the members of standing committees of this Section in consultation with the executive committee. The members of the standing committees shall be

selected from among members of this Section by the Chair in consultation with each committee chair.

ARTICLE VII. MEETINGS OF MEMBERS

7.1 Meetings

This Section may hold an annual meeting of its members at any time called for by the Chair subject to approval of the executive committee. Special meetings of the members may be called by the Chair, Vice Chair, or a majority of the members of the executive committee.

7.2 Notices

Notice of the time and place of all meetings shall be given to all members of this Section and made reasonably available to the public at least five days prior to the meeting date.

7.3 Quorum

Ten voting members shall constitute a quorum for the transaction of business at any meeting of this Section.

7.4 Rules of Order

All meetings of this Section shall be guided by Robert's "Rules of Order, Newly Revised" or The Standard Code of Parliamentary Procedure, Latest Edition (formerly the Sturgis Standard Code of Parliamentary Procedure).

ARTICLE VIII. ELECTIONS

8.1 Time

This Section shall hold a regular annual election of officers, except for the second year of office of the Chair, and At-Large members of the executive committee for open At-Large seats. Nominations and elections will be held between March and May each year.

8.2 Nominating Committee

The nominating committee shall consist of the Immediate Past Chair, the current Chair and the Vice Chair, and one Section member who is not currently a voting member of the executive committee. The nominating committee shall nominate one or more members of this Section for each of the offices of Chair, Vice Chair, Secretary and Treasurer, and for the open At-Large executive committee positions. All applicants will apply through an electronic application process administered by the Association. The executive committee will also have an alternative nominating process to allow for nominations to occur outside of the nominating committee process. The executive committee will approve a list of nominees for each open position. Persons nominated through an alternative nomination process will be included on the final list of approved nominees.

8.3 Procedure

ADR SECTION BYLAWS

The Association will administer the elections by electronic means and certify the results, unless the Section develops its own equivalent electronic election process. In the event of a tie, the winner will be determined by a single toss of a coin.

ARTICLE IX. AMENDMENTS TO BYLAWS

These bylaws may be amended at any annual meeting of the Section by a majority vote of the voting members of the Section present. These bylaws may also be amended at any regular or special meeting of the executive committee of the Section called for the purpose of amending the bylaws and upon seven days written notice to members of the executive committee and made reasonably available to the public, and by a majority vote of the voting members of the executive committee present, once a quorum is established. No amendment to these bylaws shall become effective until approved by the Board of Governors of the Association. These bylaws are subject to the Bylaws of the Association.

As last amended and adopted by the executive committee of the Section on September 20, 2019.

Approved by the Board of Governors of the Association on November 23, 2019.

TO: WSBA Board of Governors

CC: Terra Nevitt, Executive Director

FROM: Michael Addams, Chair on behalf of the WSBA Juvenile Law Section Executive Committee Meeting
Julianne Unite, WSBA Member Services and Engagement Manager
Carolyn MacGregor, WSBA Sections Program Specialist

DATE: January 24, 2022

RE: WSBA Juvenile Law Section Bylaws Amendments

ACTION: Approve the WSBA Juvenile Law Section's Proposed Bylaws Amendments

- Brief Summary/Purpose of the request
 - Add line regarding WSBA Bylaws (Add: 1.5)
 - Changes were proposed to bylaws to add Robert's Rules of Order as method of conducting business (Add: 3.5)
 - Edits to EC (4.2) to align with changes in Article 5
 - Added position of Immediate Past Chair (Add 4.2(i))
 - Change Young-Lawyer Liaison to position separate from At-Large Board Member (4.2(j))
 - Section 4.3 added (re voting rights)
 - Former Section 4.3 through 4.6 shifted to 4.4 through 4.7
 - Former Section 4.7 moved to 4.2(l)
 - Changes to Article 5 to change co-chairs to Chair and Chair-elect, and to separate Secretary and Treasurer positions
 - Changed "Juvenile Offender Committee" to "Juvenile Justice Committee" in Sections 4.2(e) and 6.1
 - Removed Section 8.3 (moved current 8.4 to 8.3)

- Process Under which the section discussed and voted to approve these amendments
 - In accordance with the Article 9 of Juvenile Law Section Bylaws, these proposed bylaws amendments were approved by a unanimous vote of the executive committee on January 21, 2022.

It is the request of the Juvenile Law Section that these amended bylaws be approved by the WSBA Board of Governors as soon as possible to allow voting for the 22-23 Executive Committee under these new bylaws with updated Officer and Committee titles. The section understands the tight turnaround and appreciates the Board of Governors' consideration. If there are any questions, please do not hesitate to contact me at your convenience.

WSBA RISK ANALYSIS: *This section is to be completed by the Office of General Counsel, with input from the proposing entity or individual.*

The proposed Bylaw changes do not appear to create legal risk for the WSBA.

Signed,

Michael R Addams
Chair, Juvenile Law Section

Attachments

- Redline version of the Juvenile Law Section bylaws
- Clean version of the proposed Juvenile Law Section bylaws

WASHINGTON STATE BAR ASSOCIATION

JUVENILE LAW SECTION

Bylaws

As last amended and approved by the
Washington State Bar Association Board of Governors on.

ARTICLE 1 – GENERAL PROVISIONS

1.1 Section Name

The name of this section is the Juvenile Law Section (the “Section”) of the Washington State Bar Association. This Section was established pursuant to the Bylaws of the Washington State Bar Association (the “Bar”).

1.2 Purpose

The Section will provide a forum to discuss issues of concern and act as an agent of change to improve the law and practice related to civil and criminal matters involving children and youth in Washington State. This Section welcomes advocates from all interested disciplines and a variety of fields of law, including juvenile justice, child welfare and those who represent youth in civil legal practice.

The Section is concerned with all aspects of juvenile law and policy: dependency, offender, civil legal needs of youth and status offenses (children in need of services, youth at risk, and truants).

1.3 Principal Office

The principal office of the Section shall be maintained in the offices of the Bar.

1.4 Fiscal Year

The fiscal year of the Section shall coincide with that of the Bar, October 1, through September 30.

1.5 Section Subject to WSBA Bylaws

In accordance with WSBA Bylaws Article XI.E, the section is subject to all Bar Bylaws, policies, and procedures.

ARTICLE 2 – MEMBERSHIP

2.1 Enrollment and Membership

Any Active member in good standing with the Bar may be enrolled as a voting member of the Section upon request and payment of annual section dues. In addition, juvenile advocates who are not licensed to practice law and law students may join as non-voting members (“subscribers”) the Section. Members

enrolled as provided in this article shall constitute the membership of the Section.

2.2 Dues

Dues shall be paid annually in advance. Any person who fails to pay the annual dues shall cease to be a member of the Section. The section dues of law student members of the executive committee will be paid by the section during their tenure on the executive committee.

ARTICLE 3 – MEETINGS OF THE MEMBERSHIP

3.1 Annual Meeting

The Section shall hold an annual meeting of the membership.

3.2 Quorum

The voting members of the Section present at any meeting shall constitute a quorum for the transaction of business.

3.3 Controlling Vote

Action of the Section shall be by a majority vote of the voting members present.

3.4 Agenda

Among the business to be transacted at the annual meeting by the membership shall be to solicit members interested in serving as officers for the upcoming March to May election cycle, review the section financials, develop committee and project proposals and introduce any proposed by-law changes for the upcoming year.

3.5 Robert's Rules of Order

The rules contained in the current edition of Robert's Rules of Order Newly Revised shall govern the meetings of the Section in all cases to which they are applicable and in which they are not inconsistent with these bylaws; the WSBA Bylaws, policies, and procedures; and any special rules of order as prescribed by the Washington State Bar Association. A failure to observe proper Robert's Rules of Order will not constitute an automatic default or reversal of action without a unanimous vote by the executive committee to void the action.

ARTICLE 4 – THE EXECUTIVE COMMITTEE

4.1 Duties

The executive committee shall undertake all duties necessary for the administration of the affairs of the Section including, without limitation, the power and duty to act on behalf of the Section in connection with sponsoring, supporting or opposing legislation; sponsoring and cosponsoring continuing legal education; approving the content of and publishing the Section newsletter; approving the content and maintenance of the Section website; the adoption of budget requests and approval of expenditures that comply with Bar fiscal policies and procedures; and shall perform duties assigned to it by the Board of Governors. The executive committee shall have the authority to establish and discontinue committees and subcommittees of the Section.

4.2 Composition

The membership of the executive committee is comprised of the section's officers and other positions as described below:

- a. Chair;
- b. Chair-elect;
- c. Secretary;
- d. Treasurer;
- e. Two Co-Directors of Juvenile Justice Committee;
- f. Two Co-Directors of Dependency and Child Welfare Committee;
- g. Two Co-Directors of the Civil Legal Needs Committee;
- h. Two Directors of the Legislative Committee;
- i. CLE Coordinator/Publication Editor;
- j. Immediate Past Chair;
- k. Two At-Large members; and
- l. Young Lawyer Liaison;
- m. At least one law student representative from a Washington law school (term expires upon graduation from law school.) The law student member(s) do not have voting rights.

4.3 Voting Rights

All executive committee members have full voting rights, with the exception of any law school representatives.

4.4 Term

The term of each position on the executive committee shall be one year and begin on October 1 each year.

4.5 Quorum and Controlling Vote

A majority of the voting members of the executive committee shall constitute a quorum. Actions of the executive committee shall be determined by a majority vote, once a quorum is established, of the voting members present in person, by telephone or by videoconferencing.

4.6 Meetings

The annual meeting of the executive committee shall be held in conjunction with the annual meeting of the Section. Special meetings may be held at the time and place designated by a Chair or a majority of the executive committee. Notice of all section meetings will be provided to all members and will be listed on the section's web page.

The executive committee will hold a monthly telephone meeting on a schedule that will be developed at the beginning of each calendar year and published on the section's web page.

4.7 Removal

Any member of the executive committee may be removed by a two-thirds majority vote of the executive committee. Grounds for removal include, but are not limited to, regular absence from executive committee meetings and events, failure to perform duties, unprofessional or discourteous conduct or whenever, in the executive committee's judgment, the executive committee member is not acting in the best interest of the Section membership.

4.8 Law Student Participation

The executive committee shall appoint at least one law student member to the executive committee.

ARTICLE 5 – OFFICERS

5.1 Officers

The officers of the Section shall be the Chair, the Chair-Elect, the Secretary, and the Treasurer.

5.2 Chair

- a. The Chair shall preside at all meetings of the Section and shall appoint committee members as needed. The Chair shall have such other powers and perform such duties as usually pertain to this office consistent with WSBA and Section Bylaws.
- b. In the event the Chair anticipates a temporary inability to carry out the Chair's duties, the Chair may designate the Chair-Elect (or another member of the Section if the Chair-Elect is not available), to temporarily act as Chair in the Chair's absence.

5.3 Chair-Elect

Upon the death, resignation, or during the disability of the Chair, or upon his/her refusal to act, the Chair-elect shall perform the duties of the Chair for the remainder of the Chair's disability and then only during so much of the term as the disability continues. The Chair-elect shall succeed the outgoing Chair as the Chair for the next term of office.

5.4 Secretary

The Secretary will take minutes at each meeting of the Section and executive committee and provide approved minutes to the Bar for publication and record retention. Further, the Secretary will perform any additional duties incident to the office of Secretary as may be assigned by the Chair or the executive committee, consistent with the Bar's policies and procedures. The role of Secretary and Treasurer may be held by the same member of the Section if one of the two positions is vacant.

5.5 Treasurer

The Treasurer shall be responsible for maintaining financial records for the Section, communicating with the WSBA and other organizations on financial matters, reporting to the Section on its financial position, shall draft a proposed budget each year for Executive Committee approval and submission to the WSBA for approval, shall review the financial statements to the extent provided by the WSBA for accuracy and provide any corrections to the WSBA, and shall perform such other duties as may be delegated by Executive Committee. The Treasurer shall work with the WSBA to ensure compliance with fiscal policies and procedures. The role of Secretary and Treasurer may be held by the same member of the Section if one of the two positions is vacant.

ARTICLE 6 – COMMITTEES AND SUBCOMMITTEES

6.1 Juvenile Justice Committee

There shall be a juvenile justice committee comprised of Co-Directors and other members of the section who are willing to serve on the committee.

6.2 Child Welfare Committee

There shall be a child welfare committee composed of Co-Directors and other members of the section who are willing to serve on the committee.

6.3 Civil Legal Needs Committee

There shall be a civil legal needs committee composed of Co-Directors and other members of the section who are willing to serve on the committee.

6.4 Legislative Committee

There shall be a legislative committee composed of one or two Directors and other members who are willing to serve on the committee.

6.5 Purpose

The purpose of the committees shall be to further the interests of the Section within their particular areas of expertise in coordination with the Chairs and subject to control of the executive committee. Subcommittees and task forces, as constituted from time to time by the executive committee, shall be filled by appointment by the Section Co-Chairs of a Subcommittee or Project Chair with the consent of the executive committee. Committee Co-Chairs are elected by the Section and serve as officers of the Section.

ARTICLE 7 – ELECTIONS AND APPOINTMENTS

7.1 Elections

Nominations and elections for open executive committee positions will be held between March and May each year. The Bar will administer the elections by electronic means and certify the results, unless the Section develops its own equivalent electronic election process. In the event of a tie, the winner will be determined by a coin toss.

7.2 Nominations

The Chair shall solicit nominations from the Section membership and appoint a nominating committee of not less than three members of the Section, at least one of whom shall not be a current member of the executive committee. The nominating committee shall verify qualifications of nominees and solicit additional nominations when appropriate. All applicants will apply through an electronic application process administered by the Bar. In selecting its nominees, it shall be the responsibility of the nominating committee to bear in mind the need for broad representation on the executive committee, based on geography, diversity of practice, special expertise, and other factors of diversity. It shall be the responsibility of the nominating committee to contact each member nominated and verify her or his willingness to accept the nomination, and to generally describe the commitment involved in the position to the nominee. Nothing prevents a Section member from self-nominating. The executive committee will also have an alternative process to allow for nominations to occur outside the nominating committee process. The executive committee will approve a list of nominees for each open position.

7.3 Vacancy

Vacancy of any position on the executive Committee shall be filled by appointment by a majority vote of the executive committee. When a member is appointed to fill a vacancy in an unexpired term, the member will do so until the next annual election when an individual will be elected to serve the remainder of the vacated term.

7.4 Term of Office

All executive committee positions will begin October 1 each year.

ARTICLE 8 – PUBLICATIONS AND WEBSITE

8.1 Newsletter

There shall be published and furnished to members of the Section, and to such other persons or organizations as the executive committee may determine, an electronic newsletter published at such intervals as the executive committee shall determine.

8.2 Other Publications

The Section may publish a series of programs or other written material to further the objectives of the Section.

8.3 Website

The executive committee will provide content to the section's web page subject to Bar review and approval.

ARTICLE 9 – AMENDMENTS

9.1 Amendments

These bylaws may be amended at any annual meeting of the Section by a majority vote of the voting members of the Section present and voting, or at an executive committee meeting by a majority vote of the voting executive committee members once a quorum is established, provided that no amendment shall become effective until approved by the Board of Governors of the Bar.

Approved by the Bar Board of Governors on June 9, 2006, and as first amended and approved by the Bar Board of Governors on March 7, 2008 and further amended and approved by the Bar Board of Governors on March 5, 2010 and further amended and approved by the Bar Board of Governors on October 28, 2011 and further amended and approved by the Bar Board of Governors on July 27, 2017 and further amended and approved by the Bar Board of Governors on .

WASHINGTON STATE BAR ASSOCIATION

JUVENILE LAW SECTION

Bylaws

As last amended and approved by the
Washington State Bar Association Board of Governors on ~~July 27, 2017~~.

ARTICLE 1 – GENERAL PROVISIONS

1.1 Section Name

The name of this section is the Juvenile Law Section (the “Section”) of the Washington State Bar Association. This Section was established pursuant to the Bylaws of the Washington State Bar Association (the “Bar”).

1.2 Purpose

The Section will provide a forum to discuss issues of concern and act as an agent of change to improve the law and practice related to civil and criminal matters involving children and youth in Washington State. This Section welcomes advocates from all interested disciplines and a variety of fields of law, including juvenile justice, child welfare and those who represent youth in civil legal practice.

The Section is concerned with all aspects of juvenile law and policy: dependency, offender, civil legal needs of youth and status offenses (children in need of services, youth at risk, and truants).

1.3 Principal Office

The principal office of the Section shall be maintained in the offices of the Bar.

1.4 Fiscal Year

The fiscal year of the Section shall coincide with that of the Bar, October 1, through September 30.

1.5 Section Subject to WSBA Bylaws

In accordance with WSBA Bylaws Article XI.E, the section is subject to all Bar Bylaws, policies, and procedures.

ARTICLE 2 – MEMBERSHIP

2.1 Enrollment and Membership

Any Active member in good standing with the Bar may be enrolled as a voting member of the Section upon request and payment of annual section dues. In addition, juvenile advocates who are not licensed to practice law and law students may join as non-voting members (“subscribers”) the Section. Members

Juvenile Law Section

1

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enrolled as provided in this article shall constitute the membership of the Section.

2.2 Dues

Dues shall be paid annually in advance. Any person who fails to pay the annual dues shall cease to be a member of the Section. The section dues of law student members of the executive committee will be paid by the section during their tenure on the executive committee.

ARTICLE 3 – MEETINGS OF THE MEMBERSHIP

3.1 Annual Meeting

The Section shall hold an annual meeting of the membership.

3.2 Quorum

The voting members of the Section present at any meeting shall constitute a quorum for the transaction of business.

3.3 Controlling Vote

Action of the Section shall be by a majority vote of the voting members present.

3.4 Agenda

Among the business to be transacted at the annual meeting by the membership shall be to solicit members interested in serving as officers for the upcoming March to May election cycle, review the section financials, develop committee and project proposals and introduce any proposed by-law changes for the upcoming year.

3.5 Robert's Rules of Order

The rules contained in the current edition of Robert's Rules of Order Newly Revised shall govern the meetings of the Section in all cases to which they are applicable and in which they are not inconsistent with these bylaws; the WSBA Bylaws, policies, and procedures; and any special rules of order as prescribed by the Washington State Bar Association. A failure to observe proper Robert's Rules of Order will not constitute an automatic default or reversal of action conducted by the board without a unanimous vote by the board executive committee to void the action.

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ARTICLE 4 – THE EXECUTIVE COMMITTEE

4.1 Duties

The executive committee shall undertake all duties necessary for the administration of the affairs of the Section including, without limitation, the power and duty to act on behalf of the Section in connection with sponsoring, supporting or opposing legislation; sponsoring and cosponsoring continuing legal education; approving the content of and publishing the Section newsletter; approving the content and maintenance of the Section website; the adoption of budget requests and approval of expenditures that comply with Bar fiscal policies and procedures; and shall perform duties assigned to it by the Board of Governors. The executive committee shall have the authority to establish and discontinue committees and subcommittees of the Section.

4.2 Composition

The membership of the executive committee is comprised of the section's officers and other positions as described below and the length of their terms shall be:

- a. Co-Chairs (one-year term); Co chairs may serve up to 3 consecutive terms, if re-elected.
- a-b. Chair-elect (one-year term);
- c. Secretary/Treasurer (one-year term); who may be elected for up to 3 consecutive terms, if re-elected.

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d. Treasurer ~~(one-year term);~~

~~b.~~

~~c. Up to eleven At-Large members as follows:~~

~~1- Two~~ 2 Co-Directors of Juvenile Justice Offender Committee ~~(one-year term);~~

~~e.~~

~~2- Two~~ 2 Co-Directors of Dependency and Child Welfare Committee ~~(one-year term);~~

~~f.~~

~~3- Two~~ 2 Co-Directors of the Civil Legal Needs Committee ~~(one-year term);~~

~~g.~~

~~4- One or~~ Two Directors of the Legislative Committee ~~(one-year term);~~

~~h.~~

~~d.~~ CLE Coordinator/Publication Editor ~~(one-year term);~~

~~i.~~

~~j.~~ Immediate Past Chair;

~~k.~~ Two other At-Large members ~~(one-year terms);, and~~

~~e.~~ of which 1 shall be the Young Lawyer Liaison; ~~(one-year term); and~~

~~l.~~

~~1- The At-Large Members may be re-elected for 1 additional term in the designated position (and may be elected after the 2nd term to a different officer position). All At-Large members are considered as officers and have full voting rights.~~

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f. m. At least one law student representative from a Washington law school (term expires upon graduation from law school.) The law student member(s) do not have voting rights.

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4.3 Voting Rights

All executive committee members ~~are considered as officers and~~ have full voting rights, with the exception of any law school representatives.

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4.3.4.4 Term

The term of each position on the executive committee shall be one year and begin on October 1 each year.

4.4.5 Quorum and Controlling Vote

A majority of the voting members of the executive committee shall constitute a quorum. Actions of the executive committee shall be determined by a majority vote, once a quorum is established, of the voting members present in person, by telephone or by videoconferencing.

4.5.6 Meetings

The annual meeting of the executive committee shall be held in conjunction with the annual meeting of the Section. Special meetings may be held at the time and place designated by a Chair or a majority of the executive committee. Notice of all section meetings will be provided to all members and will be listed on the section's web page.

The executive committee will hold a monthly telephone meeting on a schedule that will be developed at the beginning of each calendar year and published on the section's web page.

4.6.7 Removal

Any member of the executive committee may be removed by a two-thirds majority vote of the executive committee. Grounds for removal include, but are not limited to, regular absence from executive committee meetings and events, failure to perform duties, unprofessional or discourteous conduct or whenever, in the executive committee's judgment, the executive committee member is not acting in the best interest of the Section membership.

4.7.8 Law Student Participation

The executive committee shall appoint at least one law student member to the executive committee.

ARTICLE 5 – OFFICERS

3.1 5.1 Officers

~~The officers of the Section shall be the Chair, the Chair-Elect, the Secretary, and the Treasurer. The officers of the Section shall be the Co-Chairs and Secretary/Treasurer, the CLE Coordinator/ Publication Editor, the Directors of the Committees, and the At-Large members.~~

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3.2 Co-Chair

~~The Co-Chairs shall be the principal executive officers of the Section and subject to the executive committee's control, shall supervise and control all the affairs of the Section. The Co-Chairs shall preside at all meetings of the Section and of the executive committee. The qualifications for Co-Chairs shall be a minimum of two years of service on the executive committee. If there are not sufficient qualified~~

~~candidates for the Co-Chair positions, then any voting member of the Section may be nominated for the position of Co-Chair.~~

~~3.3 Secretary/Treasurer~~

~~The Secretary/Treasurer shall take minutes at each meeting of the Section and executive committee, and provide approved minutes to the Bar for publication and record retention. The Secretary-Treasurer~~

shall work with the Bar to ensure that the Section complies with Bar fiscal policies and procedures, work with the Bar to prepare the Section's annual budget, and review the Section's monthly financial statements for accuracy and comparison to budget. In conjunction with the Co-Chairs and as authorized by the executive committee, s/he shall attend generally to the business of the Section.

5.2 Chair

- a. The Chair shall preside at all meetings of the Section and shall appoint committee members as needed. The Chair shall have such other powers and perform such duties as usually pertain to this office consistent with WSBA and Section Bylaws.
- b. In the event the Chair anticipates a temporary inability to carry out the Chair's duties, the Chair may designate the Chair-Elect (or another member of the Section if the Chair-Elect is not available), to temporarily act as Chair in the Chair's absence.

5.3 Chair-Elect

Upon the death, resignation, or during the disability of the Chair, or upon his/her refusal to act, the Chair-elect shall perform the duties of the Chair for the remainder of the Chair's disability and then only during so much of the term as the disability continues. The Chair-elect shall succeed the outgoing Chair as the Chair for the next term of office.

5.4 Secretary

The Secretary will take minutes at each meeting of the Section and executive committee and provide approved minutes to the Bar for publication and record retention. Further, the Secretary will perform any additional duties incident to the office of Secretary as may be assigned by the Chair or the executive committee, consistent with the Bar's policies and procedures. The role of Secretary and Treasurer may be held by the same member of the Section if one of the two positions is vacant.

5.5 Treasurer

The Treasurer shall be responsible for maintaining financial records for the Section, communicating with the WSBA and other organizations on financial matters, reporting to the Section on its financial position, shall draft a proposed budget each year for Executive Committee approval and submission to the WSBA for approval, shall review the financial statements to the extent provided by the WSBA for accuracy and provide any corrections to the WSBA, and shall perform such other duties as may be delegated by Executive Committee. The Treasurer shall work with the WSBA to ensure compliance with fiscal policies and procedures. The role of Secretary and Treasurer may be held by the same member of the Section if one of the two positions is vacant.

3.4 At-Large Members

There shall be two (2) At-Large Members who will be members of the executive committee. An At-Large Member may also serve as a committee chair.

ARTICLE 6 – COMMITTEES AND SUBCOMMITTEES

6.1 Juvenile Justice Offender Committee

There shall be a juvenile offender justice committee comprised of Co-Directors and other members of the section who are willing to serve on the committee.

6.2 Child Welfare Committee

There shall be a child welfare committee composed of Co-Directors and other members of the section Juvenile Law Section

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who are willing to serve on the committee.

6.3 Civil Legal Needs Committee

There shall be a civil legal needs committee composed of Co-Directors and other members of the section who are willing to serve on the committee.

6.4 Legislative Committee

There shall be a legislative committee composed of one or two Directors and other members who are willing to serve on the committee.

6.5 Purpose

The purpose of the committees shall be to further the interests of the Section within their particular areas of expertise in coordination with the Chairs and subject to control of the executive committee. Subcommittees and task forces, as constituted from time to time by the executive committee, shall be filled by appointment by the Section Co-Chairs of a Subcommittee or Project Chair with the consent of the executive committee. Committee Co-Chairs are elected by the Section and serve as officers of the Section.

ARTICLE 7 – ELECTIONS AND APPOINTMENTS

7.1 Elections

Nominations and elections for open executive committee positions will be held between March and May each year. The Bar will administer the elections by electronic means and certify the results, unless the Section develops its own equivalent electronic election process. In the event of a tie, the winner will be determined by a coin toss.

7.2 Nominations

The ~~Co-Chairs~~ shall solicit nominations from the Section membership and appoint a nominating committee of not less than three members of the Section, at least one of whom shall not be a current member of the executive committee. The nominating committee shall verify qualifications of nominees and solicit additional nominations when appropriate. All applicants will apply through an

electronic application process administered by the Bar. In selecting its nominees, it shall be the responsibility of the nominating committee to bear in mind the need for broad representation on the executive committee, based on geography, diversity of practice, special expertise, and other factors of diversity. It shall be the responsibility of the nominating committee to contact each member nominated and verify her or his willingness to accept the nomination, and to generally describe the commitment involved in the position to the nominee. ~~No person shall be nominated to succeed oneself to serve more than three full terms consecutively for Co-Chair or Secretary/Treasurer. All other At Large positions will be one year terms, with the ability to be re-elected for a second term in the same position.~~ Nothing prevents a Section member from self-nominating. The executive committee will also have an alternative process to allow for nominations to occur outside the nominating committee process. The executive committee will approve a list of nominees for each open position.

7.3 Vacancy

Vacancy of any position on the executive Committee shall be filled by appointment by a majority vote of the executive committee. When a member is appointed to fill a vacancy in an unexpired term, the member will do so until the next annual election when an individual will be elected to serve the remainder of the vacated term.

7.4 Term of Office

All executive committee positions will begin October 1 each year.

ARTICLE 8 – PUBLICATIONS AND WEBSITE

8.1 Newsletter

There shall be published and furnished to members of the Section, and to such other persons or organizations as the executive committee may determine, an electronic newsletter published at such intervals as the executive committee shall determine.

8.2 Other Publications

The Section may publish a series of programs or other written material to further the objectives of the Section.

~~8.3 CLE Coordinator/Publication Editor~~

~~The section will elect a CLE coordinator/editor of the newsletter and website who shall be a voting member of the executive committee during his or her tenure. The CLE Coordinator/Publication Editor is an At Large Member of the Executive Committee.~~

8.4.3 Website

The executive committee will provide content to the section's web page subject to Bar review and approval.

ARTICLE 9 – AMENDMENTS

9.1 Amendments

These bylaws may be amended at any annual meeting of the Section by a majority vote of the voting members of the Section present and voting, or at an executive committee meeting by a majority vote of the voting executive committee members once a quorum is established, provided that no amendment shall become effective until approved by the Board of Governors of the Bar.

Approved by the Bar Board of Governors on June 9, 2006, and as first amended and approved by the Bar Board of Governors on March 7, 2008 and further amended and approved by the Bar Board of Governors on March 5, 2010 and further amended and approved by the Bar Board of Governors on October 28, 2011 and further amended and approved by the Bar Board of Governors on July 27, 2017 [and further amended and approved by the Bar Board of Governors on .](#)

WASHINGTON STATE BAR ASSOCIATION

Office of General Counsel

Nicole Gustine, Assistant General Counsel

TO: WSBA Board of Governors
FROM: Nicole Gustine, Assistant General Counsel
DATE: August 29, 2022
RE: Confidentiality of Client Protection Board Recommendations

The Board of Governors (BOG) is responsible for approving gifts from the Client Protection Board. Per Court Rule, all of the materials, reports, and deliberations shall not be public. (APR 15 Procedural Regulations, Regulation 13(b)). As such, the recommendations are placed on the Consent Calendar. If discussion is requested by any Governor, it shall be taken up in Executive Session.

APR 15
CLIENT PROTECTION FUND PROCEDURAL REGULATIONS
REGULATION 13. CONFIDENTIALITY

(a) Matters Which Are Public. On approved applications, the facts and circumstances which generated the loss, the Client Protection Board's recommendations to the Trustees with respect to payment of a claim, the amount of claim, the amount of loss as determined by the Client Protection Board, the name of the lawyer, LLLT, or LPO causing the loss, and the amount of payment authorized and made, shall be public.

(b) Matters Which Are Not Public. The Client Protection Board's file, including the application and response, supporting documentation, and staff investigative report, and deliberations of any application; the name of the applicant, unless the applicant consents; and the name of the lawyer, LLLT, or LPO unless the lawyer, LLLT, or LPO consents or unless the lawyer's, LLLT's, or LPO's name is made public pursuant to these rules and regulations, shall not be public.

The following report of CPB recommendations contains only pre-approved applications, and is therefore provided to you as a Trustee, confidentially. The report will not appear in the BOG meeting's public session materials. Please take the time to review the materials thoroughly prior to the BOG public session meeting.

Pursuant to ELC 3.4(l), the Chief Disciplinary Counsel has authorized the release of otherwise confidential disciplinary information to the Board of Governors for the purpose of reviewing and deciding on Client Protection Fund Board recommendations. The Board of Governors is advised of its obligation to maintain the confidentiality of these materials.

Please do not discuss any details regarding the matters, including the names or amounts related to the matter, at the public session meeting.



WASHINGTON STATE
BAR ASSOCIATION

TO: WSBA Board of Governors
FROM: Governor Lauren Boyd, Judicial Recommendation Committee (JRC) Review Committee Chair; Sanjay Walvekar, Staff Liaison to the JRC Review Committee
CC: Terra Nevitt, Executive Director
DATE: August 19, 2022
RE: WSBA JRC Review Committee Decision

ACTION: Approve the decision of the JRC Review Committee.

The WSBA JRC Review Committee met via Zoom on July 29, 2022, to review an appeal of a recent JRC decision. Per JRC guidelines approved by the Board of Governors, the proceedings and records of the Review Committee are kept strictly confidential. A detailed explanation of the Review Committee’s decision is available in the Governor’s materials via the WSBA cloud-sharing service.

Equity & Disparity Work Groupⁱ

Responding to the murders of George Floyd, Breonna Taylor, Tony McDade, Charleena Lyles, Manuel Ellis, and countless others by police officers, the nationwide uprisings addressing virulent racism in the United States, as well as the COVID-19 pandemic and resulting economic devastation, the WSBA Board of Governors created the Equity & Disparity Work Group in June 2020.

On June 4, 2020, [the Washington Supreme Court issued an open letter](#) in response to many of these same events. The letter states, in part: “We call on every member of our legal community to reflect on this moment and ask ourselves how we may work together to eradicate racism.

The goal of the Equity & Disparity Work Group is to reckon with the harsh reality that laws, policies, and procedures in place in the legal system have historically led to disparate and inequitable results that disproportionately harm people of color. Achieving equity is impossible without meaningful access to justice, which necessitates addressing historical harms and challenging laws that facilitate injustices. As active participants in these systems, legal professionals are morally obligated to disrupt these gaps in justice.

The Equity & Disparity Work Group seeks to review rules, regulations, and laws related to the practice of law and administration of justice by identifying ones that impede real justice and fairness. The Equity & Disparity Work Group will then propose solutions that mitigate harm caused by unjust rules and procedures to go before the Board of Governors.

Work Group Structure and Timeline

[Work Group Roster](#)

Composition

Work Group Chair: Alec Stephens

Subcommittee Chairs:

- Laura Sierra (GR 12.2)
- Kim Sandher (Experiences of the Justice System)

The Equity & Disparity Work Group membership consists of legal professionals that represent marginalized communities in the profession, as well as in society. This Work Group seeks to amplify the experiences of people that are closest to the problems and allow for solutions that can effect positive change for the legal system.

Charter:

- Review the rules, regulations, and laws related to the practice of law and the administration of justice;

- Identify the ones that facilitate injustice;
- Solicit feedback from stakeholders, especially from marginalized communities; and
- Propose remedies that the WSBA can advance pursuant to its mandate in GR 12.2.

Timeline

- The Work Group will report to the Board of Governors every six months on its progress.
- The Work Group will submit final written majority and minority reports with recommendations for rule changes to the Board of Governors by no later than the Board's September 2022 meeting.
- The Work Group will prepare and submit any rule changes supported by the Board of Governors to the Washington Supreme Court per GR9 requirements.

-
- ⁱ Source: WSBA Website, CONNECT & VOLUNTEER COMMITTEES, BOARDS & OTHER GROUPS

TO: WSBA Board of Governors
FROM: President Judge Brian Tollefson, Ret.
DATE: September 10, 2022
RE: President's Report for the September BOG Meeting

During my tenure as President your WSBA has accomplished many endeavors. Here are the highlights:

First your Board of Governors undertook an extensive review of WSBA's structure given the current legal landscape. The impetus for the study was done at the request of the state Supreme who wanted the WSBA to answer three questions: Does current federal litigation regarding the constitutionality of integrated bars require the WSBA to make a structure change? Even if the WSBA does not have to alter its structure now, what is the contingency plan if the U.S. Supreme Court does issue a ruling that forces a change? Litigation aside, what is the ideal structure for the WSBA to accomplish its mission? The Board has answered the questions as follows:

1. Current federal litigation does not require the WSBA to make a structural change.
2. It will be important for WSBA and Washington Supreme Court leaders to act upon the actual decision if there is a ruling that forces structural change. Part of the process if such a ruling occurs will include looking at all the documents and information gathered for ETHOS.
3. Litigation aside, the ideal structure is the current integrated model, which provides critical programs and services that work together to support the public and the profession.

These answers were the result of a comprehensive and thorough study.

Second, in my opinion, there is now a better working relationship between the WSBA staff and the Board. This happened after the Board adopted recommendations to engage in periodic meetings with staff and the Governors, some of which are conducted virtually, covering a wide range of issues. Specifically, Board officers plus different groups of governors met with all staff quarterly to discuss a variety of issues. Also, the Board and the WSBA Executive Leadership Team had a team building retreat and a workgroup was formed to continue working on strengthening the BOG-Staff relationship. This is still a work in progress, and I anticipate there will be more meetings next fiscal year.

Third, the Member Engagement Council has been working with a professional polling company to get more accurate and better feedback from the membership about WSBA's various initiatives. Also, the Council participated in the Bar Structures Study by sending out a statistically valid sample of the membership questions about what structure the Bar should adopt.

Fourth, the Board agreed to transform the Diversity Committee into a Diversity, Equity, and Inclusion (DEI) Council. The goal of the transition is to hopefully broaden the scope of membership eligibility to include active members including Governors, and also judicial members, pro bono status members, law school students, faculty, and staff and members of the public.

Fifth, the Board is involved in improving its relationship with the minority bar associations (MBAs). To begin with the Board created a small task force consisting of three Governors and four representatives from minority bar associations to focus on the issues raised in a joint MBA letter addressed to the Board of Governors. One of this group's early accomplishments was to get the Board to add to its fiscal and legal analysis an "equity lens" analysis when examining requests for action on a proposal.

TO: WSBA Board of Governors
FROM: Executive Director Terra Nevitt
DATE: September 15, 2022
RE: Executive Director's Report

Summer Bar Exam Results

The summer bar exam results have been [posted](#). Of the 645 candidates that took the exam, 465 passed. The overall pass rate for first time test takers was just over 72%. For purposes of comparison, the first-time test taker pass rate for July 2021 was 74% and 68.5% in 2019. Additional statistics are attached. WSBA administers the Multistate Bar Exam developed by the National Conference of Bar Examiners. You can review national trends [here](#).

Who We Are Film Screening and Panel Discussion September 26-28

This month, WSBA is hosting a virtual film screening of *Who We Are: A Chronicle of Racism in America*. The film features Jeffrey Robinson, a Washington lawyer, who addresses institutional racism in the United States through lecture, personal anecdotes, and interviews. Registered attendees will be able to view the film online at their leisure from September 26 to 28. Jeffrey Robinson and Justice Sheryl Gordon McCloud will host a panel discussion about the film on Thursday, September 29 from 12PM to 1PM. You can register for this free event [here](#). This film screening is sponsored by the Diversity, Equity and Inclusion Council and the Council on Public Defense.

Welcome New Governors

Welcome and congratulations to Congressional District 4 Governor-elect Mary Rathbone and Congressional District 8 Governor-elect Erik Kaeding. Both will be sworn-in at this week's meeting. Both have been elected to fill partial terms. Governor-elect Rathbone's term ends September 2024 and Governor-elect Kaeding's term ends September 2023. They will each be eligible to seek another term when their partial term is complete.

Hybrid Meeting Rooms

This month, we are moving forward on a project to improve our ability to support hybrid meetings. Prior to the pandemic we were struggling with the effectiveness of our conference room audio and as in-person meetings with an online option begin to increase, it is critical that meeting rooms are fully hybrid capable. Our initial focus will be on the conference rooms on the sixth floor that we refer to as "the mountain rooms". The next phase of the project will be focused on improving the capabilities of WSBA's Hearing Room.

Attachments

July 2022 Bar Exam Statistics
Quarterly Discipline Report
Outreach Report
Litigation Report
Media Report
Member Demographics Report

465 Candidates Pass July 2022 Washington State Bar Exam

SEATTLE, WA [September 9, 2022] — The Washington State Bar Association (WSBA) announced that 465 candidates passed the Uniform Bar Exam administered in July 2022. Administered over a two-day period, the Exam is a substantive law exam for those interested in becoming licensed in Washington to practice law as a lawyer, and includes multiple choice, essay and performance questions. The other required component of the Washington Bar Exam is an exam on professional responsibility (the Multistate Professional Responsibility Exam or MPRE). Completion of a separate online educational component with accompanying online exam addressing specific areas of Washington law (the Washington Law Component) is also required to qualify for admission. The WSBA will recommend successful candidates who also have passed a character and fitness review and completed other pre-licensing requirements to the Washington Supreme Court for entry of an order admitting them to the practice of law in Washington as a lawyer.

See the full pass list on our website. Passage percentages are given below.

July 2022 Washington State Bar Exam Statistics:

Overall Pass Rates

Application Type	Pass	Fail	Total	Pass Rate
ABA-JD	435	135	570	76.32 %
APR 6 Law Clerk	7	13	20	35.00 %
U.S. Attorneys	12	3	15	80.00 %
Non-ABA JD/ ABA LLM	7	26	33	21.21 %
U.S. Non-ABA JD / ABA LLM	0	2	2	0.00 %
Common Law Attorneys	4	1	5	80.00 %
Total	465	180	645	72.09 %

First Time

Application Type	Pass	Fail	Total	Pass Rate
ABA-JD	416	99	515	80.78 %
APR 6 Law Clerk	5	5	10	50.00 %
U.S. Attorneys	12	1	13	92.31 %
Non-ABA JD/ ABA LLM	5	14	19	26.32 %
U.S. Non-ABA JD / ABA LLM	0	0	0	0 %
Common Law Attorneys	4	0	4	100.00 %
Total	442	119	561	78.79 %

Repeaters

Application Type	Pass	Fail	Total	Pass Rate
ABA-JD	19	36	55	34.55 %
APR 6 Law Clerk	2	8	10	20.00 %
U.S. Attorneys	0	2	2	0.00 %
Non-ABA JD/ ABA LLM	2	12	14	14.29 %
U.S. Non-ABA JD / ABA LLM	0	2	2	0.00 %
Common Law Attorneys	0	1	1	0.00 %
Total	23	61	84	27.38 %

The average UBE score total was 284.23; the required passing score was 266.

About the Washington State Bar Association

The WSBA is authorized by the Washington Supreme Court to license over 40,000 lawyers and other legal professionals in Washington. In furtherance of its obligation to protect and serve the public, the WSBA regulates lawyers and other licensed legal professionals under the authority of the Court and serves its members as a professional association - all without public funding. The WSBA's mission is to serve the public and the members of the Bar, to ensure the integrity of the legal profession, and to champion justice.

Contact: Jennifer Olegario, WSBA Communications Manager
206-727-8212; jennifero@wsba.org

MEMO

To: Terra Nevitt, WSBA Executive Director
From: Douglas J. Ende, WSBA Chief Disciplinary Counsel & Director of the Office of Disciplinary Counsel
Date: September 14, 2022
Re: Quarterly Discipline Report, 2nd Quarter (April – June 2022)

A. Introduction

The Washington Supreme Court’s exclusive responsibility to administer the systems for discipline of licensed legal professionals (including disability systems) is delegated by court rule to WSBA. See GR 12.2(b)(6). Staff and volunteers carrying out the functions delegated by the Rules for Enforcement of Lawyer Conduct (ELC) act under the Supreme Court’s authority. The investigative and prosecutorial function is discharged by the employees in the Office of Disciplinary Counsel (ODC), which is responsible for investigating allegations and evidence of professional misconduct and incapacity and prosecuting violations of the Washington Supreme Court’s Rules of Professional Conduct.

The Quarterly Discipline Report provides a periodic overview of the functioning of the Office of Disciplinary Counsel. The report graphically depicts key discipline-system indicators for the 2nd Quarter 2022. Note that all numbers and statistics herein are considered tentative/approximate. Final figures will be issued in the 2022 Discipline System Annual Report.

B. Public Dispositions & Other Information

- **Public Dispositions**

 - **Suspensions:**

 - Brian Berkenmeier #20421, three-month suspension (Stipulation)

 - **Resignations in Lieu of Discipline:**

 - Scott Gallina #20423

 - **Reciprocal Discipline:**

 - Todd Hammond #32401, sixty-day suspension (Oregon)

- **ELC 7.1 and 7.2 Interim Suspensions**

 - **ELC 7.1:**

 - Ray Deonier #33609 (conviction of a crime)

 - Scott Gallina #20423 (conviction of crime)

ELC 7.2:

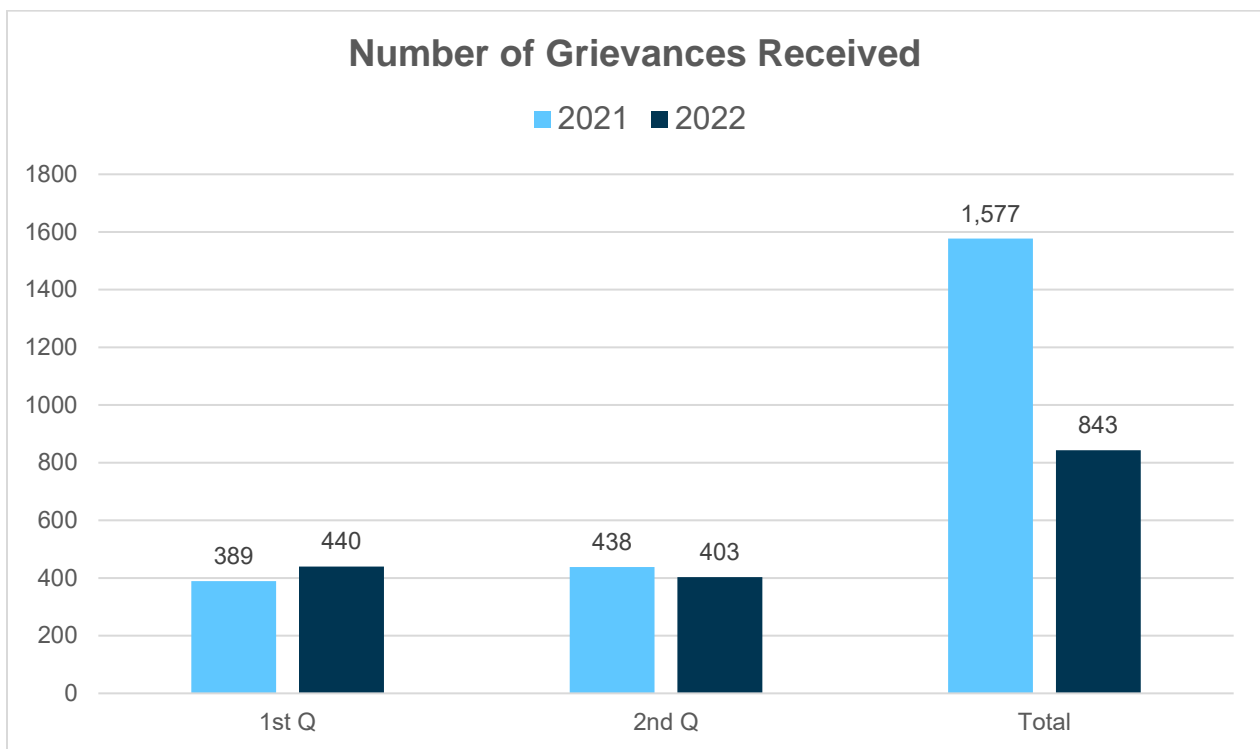
John Sherwood #2948 (risk to public)

Henry Warren #30360 (risk to public)

- **Hearings, Appeals, and Other Proceedings**

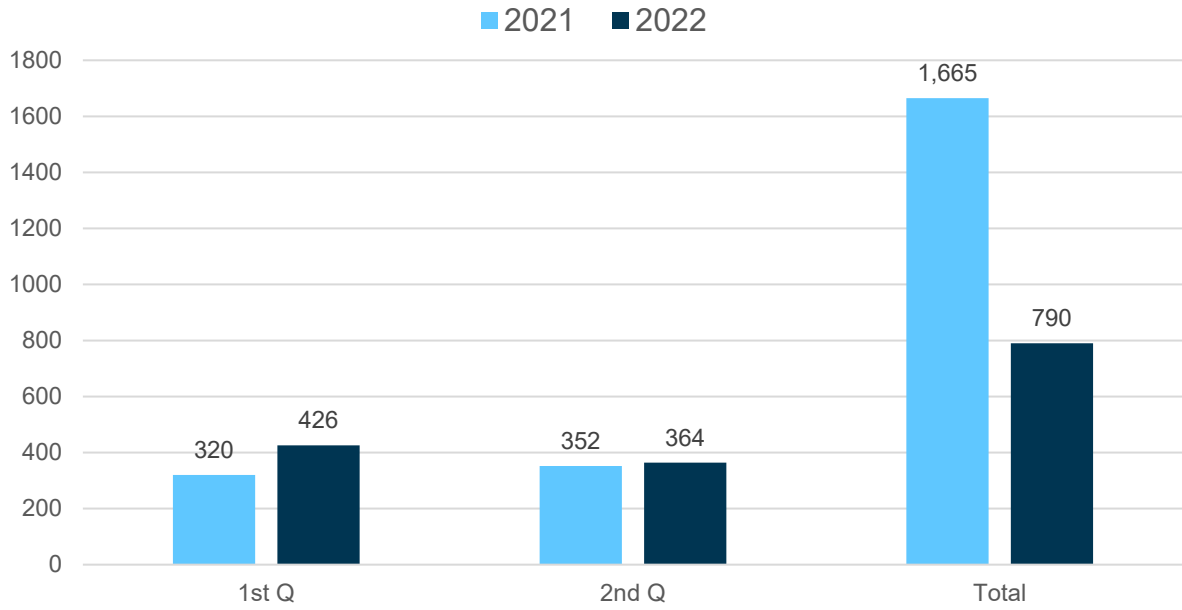
Two hearings were held this quarter. As previously reported, there was an overall reduction in the number of contested hearings during the 2020-2021 Covid-19 public health emergency. The effects of that reduction are still affecting the discipline-system proceedings pipeline, most notably in the corresponding lull in the number of pending appeals and review proceedings before the Disciplinary Board and Supreme Court.

C. Grievances and Dispositions¹

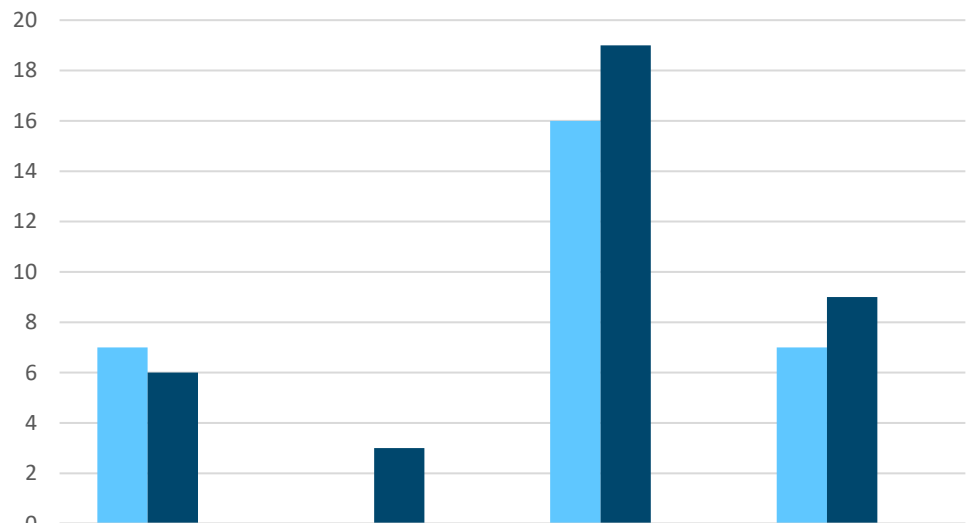


¹ These figures may vary from subsequent quarterly reports and statistical summaries owing to limitations on data availability at the time of issuance of these quarterly reports.

Number of Grievances Resolved

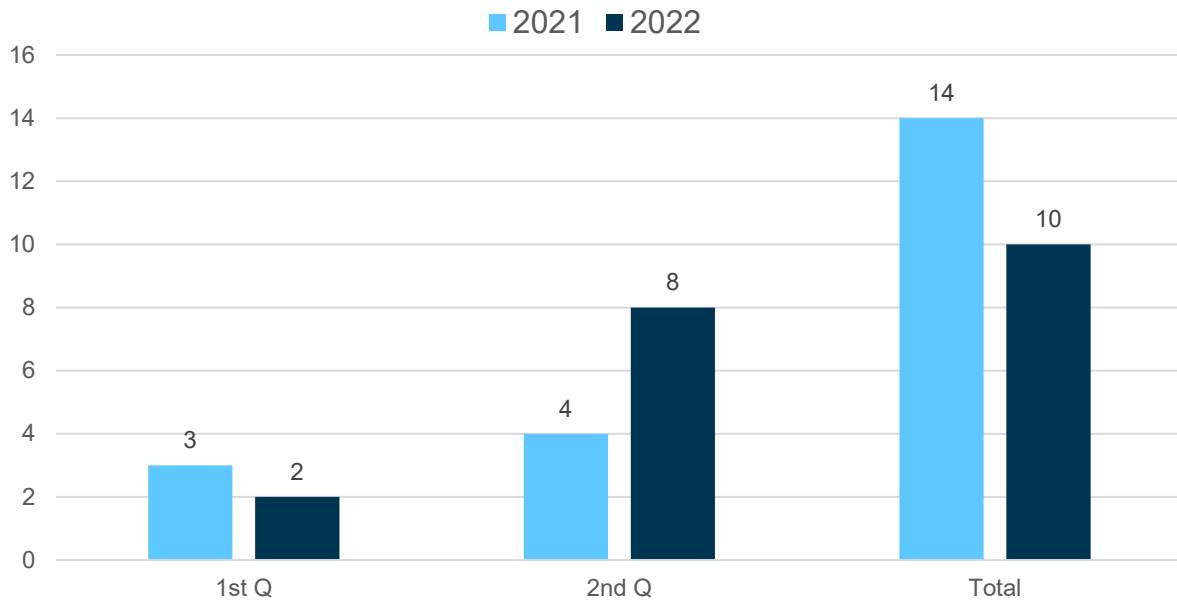


Diversion Statistics

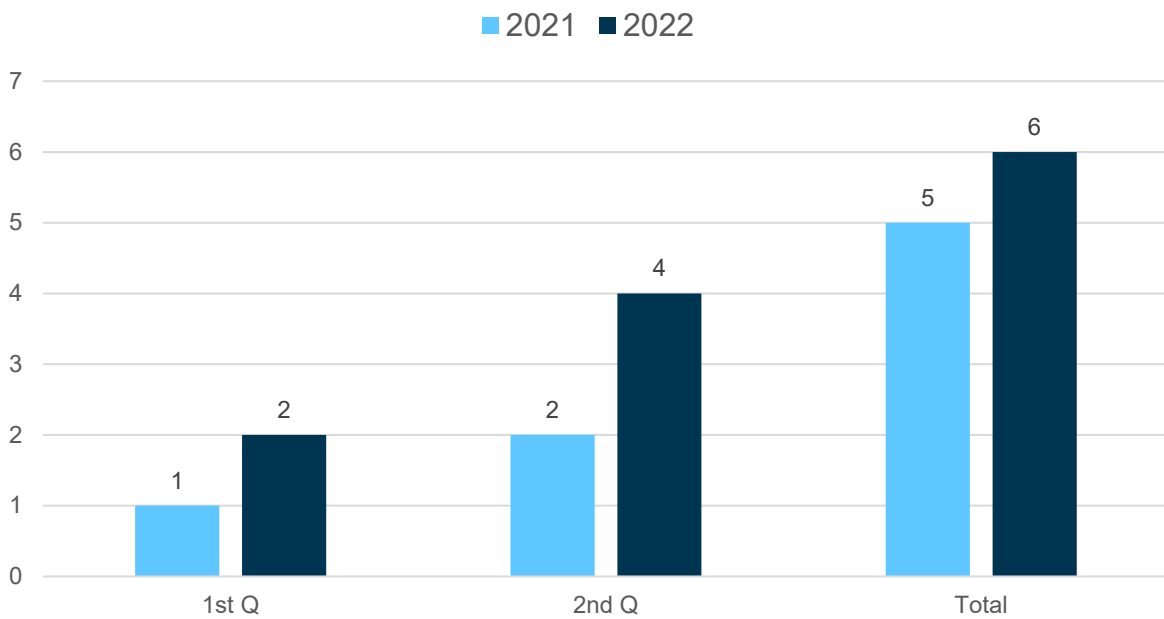


	1st Q 2022	2nd Q 2022	2021 Total	2022 TOTAL
New Diversion Files	7	0	16	7
Completed Diversion Files	6	3	19	9
Terminated Diversion Files	0	0	0	0

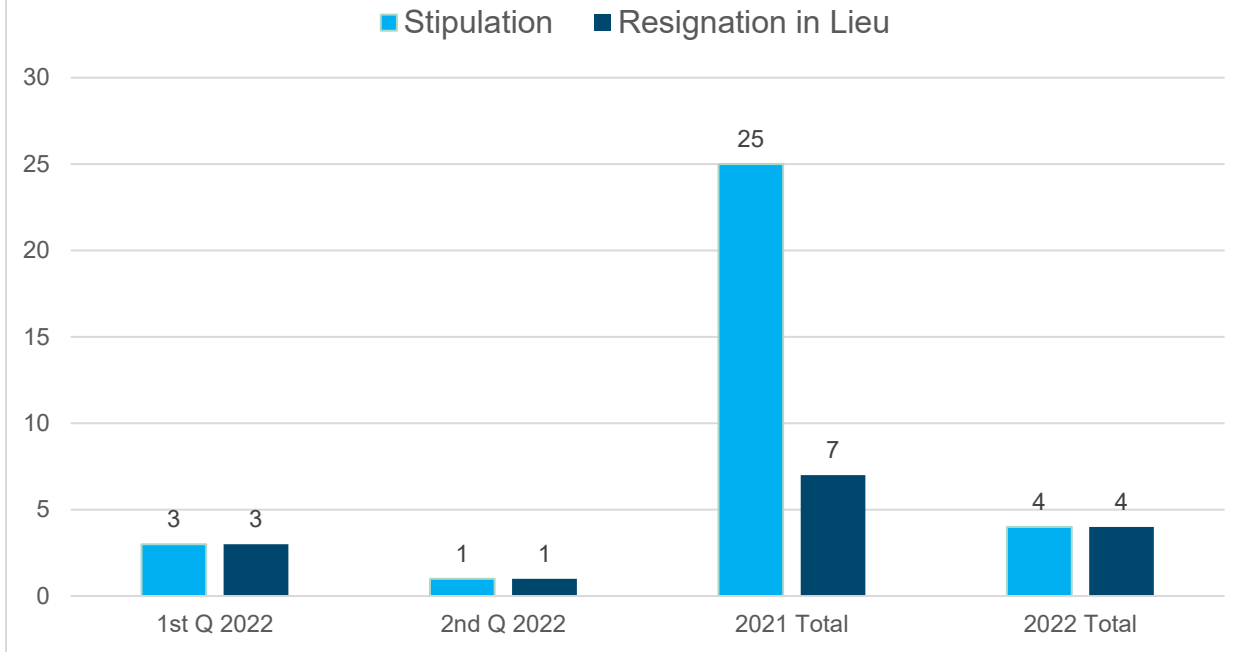
Formal Complaints Filed



Reciprocal Discipline Files Opened



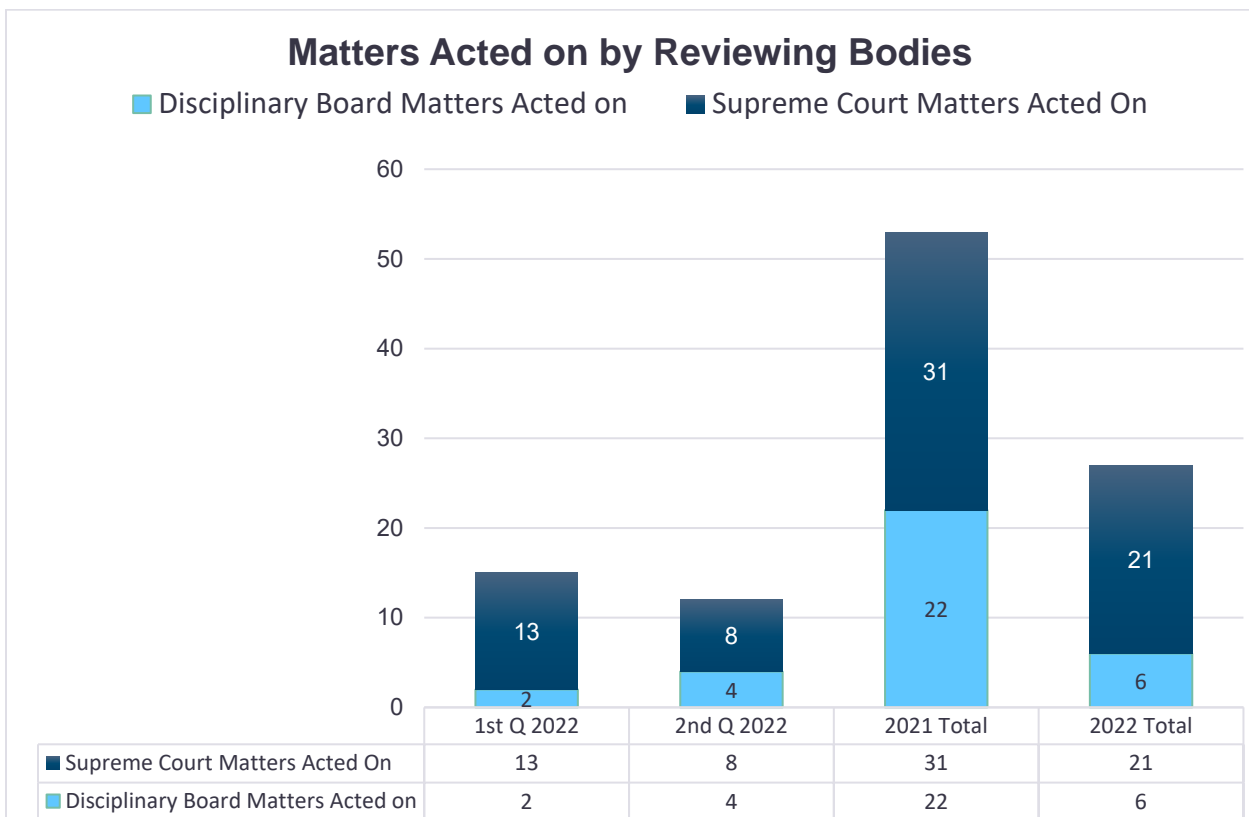
Stipulations and Resignations in Lieu



Hearings Held	Quarter Total
1 st Quarter	0
2 nd Quarter	2
3 rd Quarter	TBD
4 th Quarter	TBD
2022 Total	2
2021 Total	7

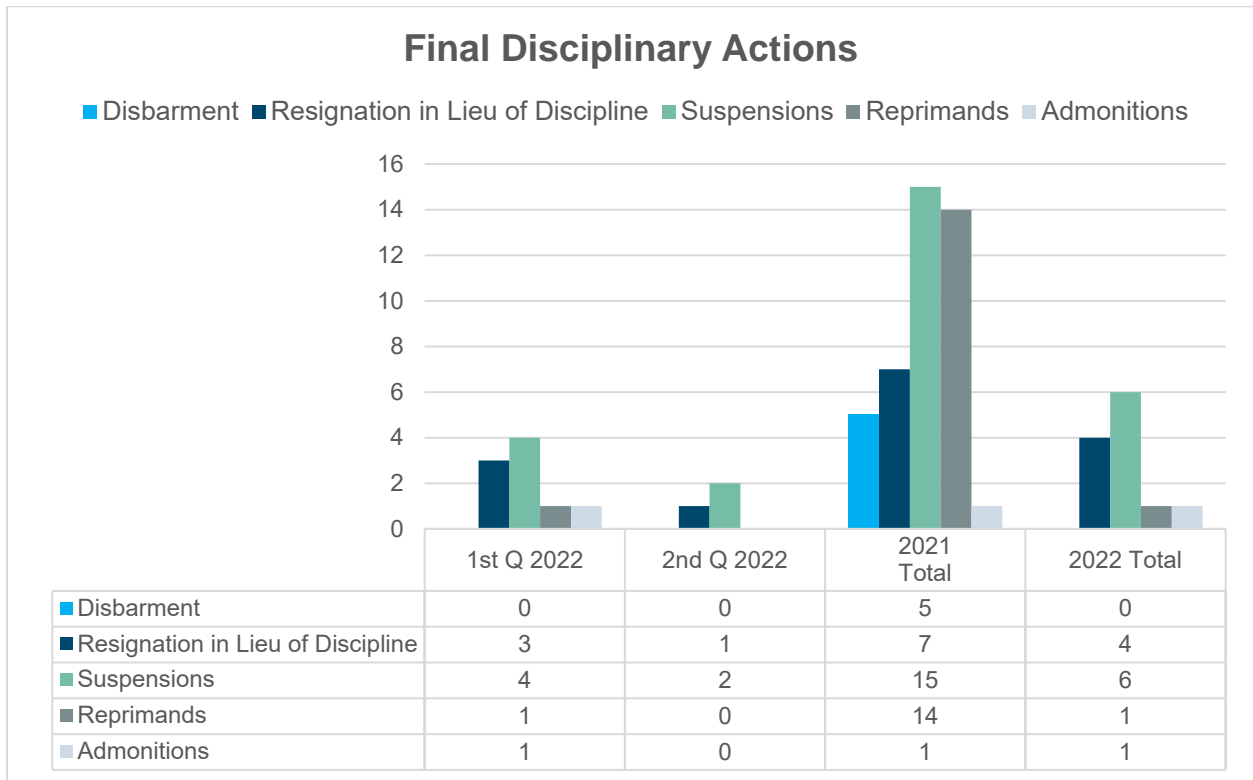
D. Pending Proceedings²

Open Proceedings	2021	2022
Ending 1 st Quarter	37	31
Ending 2 nd Quarter	38	41
Ending 3 rd Quarter	34	TBD
Ending 4 th Quarter	36	TBD



² In the second table in this section, the Disciplinary Board numbers reflect Board orders on stipulations and following review after an appeal of a hearing officer’s findings.

E. Final Disciplinary Actions



F. Disability Found

Disability Found	Quarter Total
1st Quarter	0
2nd Quarter	1
3rd Quarter	TBD
4th Quarter	TBD
2022 Total	1
2021 Total	4

G. Discipline Costs³

Quarterly Discipline Costs Collected	Total
1st Quarter	\$25,415.10
2nd Quarter	\$22,106.13
3rd Quarter	TBD
4th Quarter	TBD
2022 Total	\$47,521.23
2021 Total	\$105,389.72

³ The cost figures may vary from amounts indicated in previous quarterly reports, statistical summaries, and annual reports, owing to limitations on the data available at the time of issuance of these quarterly reports and the final cost figures available after Accounting closes the monthly books.

TO: WSBA Board of Governors

FROM: Sara Niegowski, Chief Communications and Outreach Officer; Jennifer Olegario, Communications and Outreach Manager; and Michael Kroner, Outreach Specialist

DATE: September 9, 2022

RE: Summary of Outreach Activities for FY 2022

This memo is a recap of outreach activities for Fiscal Year 2022. Please note: Engagement between WSBA leaders and staff happens continuously throughout the year, via liaisons, CLE courses, and other activities; this memo captures events where, by coordination and invitation with county bar leaders, WSBA leaders met with members throughout the state with the express purpose of listening to and updating members about important WSBA ongoings. In coming years, we hope to continue to expand these opportunities.

Captured in this report are stops on the 2022 Listening Tour, which is an annual series of meetings, spanning different regions of the state, led by the WSBA President and Executive Director with support from various members of the Board of Governors, as they are available and stops occur in their districts. The primary purpose of the Listening Tour is to engage directly with members, solicit feedback and perspective on the WSBA and the practice of law, and share WSBA updates and news of note with members. The 2022 Listening Tour focused on the central region of the state. Though open to any topic, this year's outreach focused on one of the biggest initiatives of the WSBA, which was the ETHOS structure study, to both educate members and solicit feedback.

The WSBA conducted the following direct outreach activities over the course of October 2021 to September 2022:

- **Wenatchee**, November 19, 2021 – Governor Williams-Ruth met with members of the Chelan-Douglas County Bar Association, and presented on the bar association and its relationship to the region. About 30 members attended.
- **Seattle** (via Zoom), December 7, 2021 – Governors Dresden and Sayani conducted introductory outreach with Seattle-area attorneys. Attendees raised questions about civics education, the LLLT program, a unified court system, and bar structure. There were 15 attendees.
- **South Bend**, March 4, 2022 – Governor Boyd, Past-President Sciuchetti, and Terra Nevitt met with members of the Pacific County Bar Association and gave a presentation on bar structure. Attendees provided positive and negative feedback on potential bar structures. There were 9 attendees.
- **Listening Tour, July 7, 2022** – President Tollefson, Past-President Sciuchetti, Executive Director Nevitt, and Chief Communications and Outreach Officer Niegowski met with members from the local bars in Chelan County, Douglas County, Kittitas County, and Yakima County. President-Elect Clark joined the group in Yakima.

- Wenatchee (breakfast). Ten members in attendance. Topics included challenges and opportunities of practicing in a rural area, including how to attract and retain diverse lawyers; the ETHOS process and bar structure in general, including concerns that rural counties would lose professional resources if the state bar were to de-unify; the bar exam and its relevance to determining lawyer competence; and the WSBA's upcoming movement toward paperless licensing.
- Ellensburg (lunch). Four members in attendance. Topics included the need for some kind of uniformity in e-filing across court systems; the ETHOS process and concerns about losing resources in rural counties if the bar were to de-unify; opportunities and challenges of working in a rural community such as attracting and retaining lawyers; and the WSBA's upcoming movement toward paperless licensing.
- Yakima (dinner). Twelve members in attendance. Topics included the ETHOS process and the need for the bar to continue to building statewide collegiality and unity in the profession; the need for some kind of uniformity and sharing of e-filing across jurisdictions (and how the WSBA and members can influence such a transformation); the bar's use of potentially loaded imagery on materials, such as a hammer/fist featured as the 2021 ATJ Conference's logo; location of WSBA offices; and praise for the WSBA professional programs like Ethics Line.

WASHINGTON STATE BAR ASSOCIATION

Office of General Counsel

To: The President, President-elect, Immediate Past-President, and Board of Governors
 From: Julie Shankland, General Counsel
 Lisa Amatangel, Associate Director, OGC
 Date: September 6, 2022
 Re: Litigation Update

No.	Name	Brief Description	Status
1.	<i>Norman v. WSBA</i> , No. 22-2-03177-8 (King Sup. Ct.)	Alleges employment and disability discrimination.	Complaint filed 03/04/22. A notice of filing petition for removal to U.S. District Court filed on 3/24/22. This case is closed as of 7/22/22.
2.	<i>Sangha v. Knapp et al</i> , No. 21-2-00-769-37 (Whatcom Sup. Ct.); No. 833791 (Court of Appeals Division 1)	Addresses handling of letters of complaint.	Complaint filed 08/02/21; WSBA filed motion to dismiss on 08/24/21. WSBA's motion to dismiss granted 09/24/21. Notice of appeal received 11/22/21. Scheduling order issued by the Court of Appeals on 8/16/2022.
3.	<i>Block v. WSBA et al.</i> , No. 18-cv-00907 (W.D. Wash.) (" <i>Block II</i> ")	See <i>Block I</i> (below).	<p>On 03/21/19, the Ninth Circuit stayed <i>Block II</i> pending further action by the district court in <i>Block I</i>. On 12/17/19, Block filed a status report with the Ninth Circuit informing the Court of the <i>Block I</i> Court's reimposition of the vexatious litigant pre-filing order against Block. On 06/18/20, the Ninth Circuit lifted the stay order and ordered the appellees who have not yet filed their answering briefs to do so by 08/17/20 (WSBA filed its answer brief before the stay order was entered). Block's reply was due 10/09/20, then extended to 12/28/20.</p> <p>Block filed a reply brief four months late along with a motion for extension of time. The Ninth Circuit denied Block's motion for an extension and declined to accept the reply brief. Block has filed a Motion for Reconsideration of the Order denying her motion for an extension. The Ninth Circuit set this matter for consideration without oral argument on 06/08/21. On 07/02/21, the Ninth Circuit affirmed the dismissal of <i>Block II</i></p>



			<p>pursuant to the original vexatious litigant order.</p> <p>Block filed in District Court a Motion to Issue Indicative ruling and an amended version of the same motion, which was denied.</p> <p>Block filed a second notice of appeal in this matter, 9th Cir., No. 21-35261), “Block II – Appeal II”. Block’s opening brief and excerpts of record were due 06/07/21. On 08/27/21, the Ninth Circuit denied the appellees’ requests for dismissal of the appeal for failure to prosecute and set a new briefing schedule; Block’s opening brief was due 09/22/21. On 09/29/21 Block filed a motion to stay the appeal or extend the deadline for her to file the opening brief by 90 days.</p> <p>On 09/09/21, Block filed a motion to vacate all decisions in this matter; WSBA opposed and the motion was denied on 09/28/21. Block appealed the Ninth Circuit Court’s 9/28/21 order, and the amended notice of appeal was added to Block II -Appeal II.</p> <p>The Ninth Circuit Court then issued an order to Block to show cause why it should not summarily dispose of this appeal; Block failed to respond and the Ninth Circuit dismissed Block II – Appeal II.</p>
4.	<i>Block v. WSBA, et al.</i> , No. 15-cv-02018-RSM (W.D. Wash.) (“ <i>Block I</i> ”)	Alleges conspiracy among WSBA and others to deprive plaintiff of law license and retaliate for exercising 1st Amendment rights.	<p>On 02/11/19, the Ninth Circuit affirmed dismissal of claims against WSBA and individual WSBA defendants; the Court also vacated the pre-filing order and remanded this issue to the District Court. On 12/09/19, the United States Supreme Court denied plaintiff’s Petition of Writ of Certiorari.</p> <p>On 12/13/19, the District Court reimposed the vexatious litigant pre-filing order against Block; Block filed a notice of appeal regarding this order on 01/14/20 (“Block I – Appeal II”). Block filed an opening brief in Block I –</p>

		<p>Appeal II on 11/06/20; WSBA filed its answering brief on 01/07/21. Block’s optional Reply Brief was due on 01/28/21. Block filed a reply brief on 04/26/21 along with a motion for extension. The Ninth Circuit set this matter for consideration without oral argument on 06/08/21. On 07/02/21 the Ninth Circuit affirmed the dismissal of Block II pursuant to the original vexatious litigant order.</p> <p>On 09/10/20, Block moved to vacate the vexatious litigant order; WSBA opposed the motion and it was denied. In response to the district court’s denial of Block’s motion to vacate, on 10/01/20, Block filed a motion for an indicative ruling on whether the district court would vacate the vexatious litigant order if the appellate court remanded the case for that purpose. WSBA opposed the motion. Block filed a reply on 10/16/20. This motion was denied.</p> <p>On 09/09/21, Block filed a motion to vacate all decisions in this matter; WSBA filed an opposition on 09/20/21. This motion was denied on 09/28/21.</p> <p>Block appealed the order issued on 09/28/21. The Ninth Circuit opened a new appeal (9th Cir. No. 21-35922), “Block I – Appeal III”, in which Block’s opening brief was due 01/05/22. Block filed an untimely motion to extend the time to file her opening brief; WSBA opposed the motion on 02/07/22. Block filed an opening brief in Block I – Appeal III on 3/3/22. WSBA’s answering brief was due 5/4/22. After two extensions, Block filed a reply brief on 6/27/22.</p>
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WASHINGTON STATE BAR ASSOCIATION

MEMO

To: WSBA Board of Governors

From: Jennifer Olegario, Communications and Outreach Manager

CC: Sara Niegowski, Chief Communications and Outreach Officer

Date: Aug. 31

RE: **Summary of Media Contacts, July 1 – Aug. 31, 2022**

Date	Journalist and Media Outlet	Inquiry
July 7	Marianna Wharry, Law.com	Public records request for Patrick J. Leahy, Bar No. 10912.
July 11	Joe O'Sullivan, Crosscut.com	Inquired about grievance for Virginia Shogren, Bar No. 33939. Sent standard media response for grievances.
July 19	Marianna Wharry, Law.com	Public records request for Terry L. Williams, Bar No. 21831
Aug. 9	Jake Goldstein-Street, <i>Everett Herald</i>	Inquired about grievance for David Hall, Bar No. 15296. Sent standard media response for grievances.
Aug. 15	Deon Hampton, NBC News Digital	Inquired about LLLT history and status. Referred to LLLT Board Chair Nancy Ivarinen. See article: As the cost to hire a lawyer climbs, some states let non-lawyers provide legal advice
Aug. 17	Bob Derocher, <i>ABA Bar Leaders</i>	Contacted us about bar leadership academies and how they have fared during the past few years of pandemic and civic unrest. Reporter interviewed Justice Mary Yu, WLI coordinator Dawn Bell, Starbucks General Counsel Zabrina Jenkins, and WSBA Executive Director Terra Nevitt. Article is expected to run in September.

Aug. 19	Catherine Duchamp, <i>Puget Sound Business Journal</i>	PSBJ has seen proliferation of new business formation during pandemic. Editor wanted to know what impact has been on law firms. Asked for source with expertise in small business law. Referred her to Daniel Shin, co-author of chapter on Selection of Business Entity or Investment Vehicle in the <i>Washington Partnership and LLC Deskbook</i> .
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WSBA Member* Licensing Counts 9/1/22 8:11:18 AM GMT-07:00

Member Type	In WA State	All
Attorney - Active	26,408	33,712
Attorney - Emeritus	112	120
Attorney - Honorary	360	411
Attorney - Inactive	2,681	5,846
Judicial	635	664
LLLT - Active	74	74
LLLT - Inactive	7	8
LPO - Active	790	800
LPO - Inactive	143	159
	31,210	41,794

Misc Counts	
All License Types **	42,195
All WSBA Members	41,794
Members in Washington	31,210
Members in western Washington	27,037
Members in King County	17,370
Members in eastern Washington	3,909
Active Attorneys in western Washington	22,936
Active Attorneys in King County	15,177
Active Attorneys in eastern Washington	3,240
New/Young Lawyers	6,837
MCLE Reporting Group 1	11,391
MCLE Reporting Group 2	11,069
MCLE Reporting Group 3	11,759
Foreign Law Consultant	21
House Counsel	370
Indigent Representative	10

By District		
	All	Active
0	4,561	3,464
1	2,983	2,492
2	2,182	1,771
3	2,115	1,771
4	1,381	1,164
5	3,303	2,709
6	3,509	2,920
7N	5,078	4,336
7S	6,402	5,284
8	2,324	1,980
9	5,049	4,296
10	2,907	2,399
	41,794	34,586

By State and Province	
Alabama	22
Alaska	200
Alberta	9
Arizona	372
Arkansas	20
Armed Forces Americas	3
Armed Forces Europe, Middle East	24
Armed Forces Pacific	9
British Columbia	94
California	1,992
Colorado	294
Connecticut	47
Delaware	7
District of Columbia	365
Florida	277
Georgia	89
Guam	15
Hawaii	142
Idaho	509
Illinois	166
Indiana	46
Iowa	30
Kansas	30
Kentucky	42
Louisiana	47
Maine	15
Maryland	119
Massachusetts	86
Michigan	78
Minnesota	113
Mississippi	5
Missouri	77
Montana	180
Nebraska	18
Nevada	164
New Hampshire	14
New Jersey	58
New Mexico	77
New York	268
North Carolina	89
North Dakota	9
Northern Mariana Islands	6
Nova Scotia	1
Ohio	95
Oklahoma	46
Ontario	17
Oregon	2,767
Pennsylvania	71
Puerto Rico	6
Quebec	2
Rhode Island	16
South Carolina	35
South Dakota	7
Tennessee	63
Texas	433
Utah	184
Vermont	13
Virginia	274
Virgin Islands	2
Washington	31,210
Washington Limited License	1
West Virginia	4
Wisconsin	50
Wyoming	20

By WA County		By Admit Yr	
Adams	17	1946	1
Asotin	24	1947	2
Benton	402	1948	2
Chelan	259	1949	1
Clallam	159	1950	4
Clark	988	1951	12
Columbia	8	1952	17
Cowlitz	145	1953	15
Douglas	40	1954	20
Ferry	8	1955	9
Franklin	59	1956	30
Garfield	3	1957	20
Grant	125	1958	25
Grays Harbor	110	1959	28
Island	150	1960	25
Jefferson	122	1961	21
King	17,370	1962	25
Kitsap	843	1963	29
Kittitas	92	1964	30
Klickitat	27	1965	44
Lewis	116	1966	55
Lincoln	13	1967	53
Mason	95	1968	70
Okanogan	88	1969	84
Pacific	28	1970	85
Pend Oreille	13	1971	91
Pierce	2,455	1972	140
San Juan	96	1973	221
Skagit	299	1974	210
Skamania	18	1975	259
snohomish	1	1976	312
Snohomish	1,705	1977	324
Spokane	2,041	1978	346
SPOKANE	1	1979	380
Stevens	52	1980	400
Thurston	1,723	1981	443
Wahkiakum	11	1982	423
Walla Walla	122	1983	459
Whatcom	603	1984	1,056
Whitman	74	1985	533
Yakima	441	1986	721
		1987	688
		1988	607
		1989	670
		1990	840
		1991	814
		1992	798
		1993	893
		1994	853
		1995	799
		1996	778
		1997	891
		1998	875
		1999	893
		2000	894
		2001	892
		2002	972
		2003	1,033
		2004	1,068
		2005	1,102
		2006	1,169
		2007	1,244
		2008	1,085
		2009	966
		2010	1,058
		2011	1,042
		2012	1,065
		2013	1,208
		2014	1,333
		2015	1,577
		2016	1,296
		2017	1,369
		2018	1,292
		2019	1,350
		2020	1,543
		2021	1,411
		2022	820

* Per WSBA Bylaws 'Members' include active attorney, emeritus pro-bono, honorary, inactive attorney, judicial, limited license legal technician (LLLT), and limited practice officer (LPO) license types.

** All license types include active attorney, emeritus pro-bono, foreign law consultant, honorary, house counsel, inactive attorney, indigent representative, judicial, LPO, and LLLT.

*** The values in the All column are reset to zero at the beginning of the year (Jan 1). The Previous Year column is the total from the last day of the prior year (Dec 31). WSBA staff with complimentary membership are not included in the counts.

By Years Licensed	
Under 6	8,331
6 to 10	6,420
11 to 15	5,421
16 to 20	4,962
21 to 25	4,153
26 to 30	3,641
31 to 35	2,914
36 to 40	2,400
41 and Over	3,552
Total:	41,794

By Age	All	Active
21 to 30	1,686	1,625
31 to 40	9,097	8,217
41 to 50	10,373	8,738
51 to 60	9,171	7,248
61 to 70	7,412	5,470
71 to 80	3,414	2,246
Over 80	641	168
Total:	41,794	33,712

By Gender	
Female	12,138
Male	15,969
Non-Binary	26
Not Listed	26
Selected Mult Gender	32
Transgender	1
Two-spirit	4
Respondents	28,196
No Response	13,598
All Member Types	41,794

By Disability	
Yes	1,271
No	19,679
Respondents	20,950
No Response	20,844
All Member Types	41,794

By Sexual Orientation	
Asexual	25
Gay, Lesbian, Bisexual, Pansexual, or Queer	626
Heterosexual	5,385
Not Listed	119
Selected multiple orientations	29
Two-spirit	4
Respondents	6,188
No Response	35,606
All Member Types	41,794

By Ethnicity	
American Indian / Native American / Alaskan Native	222
Asian-Central Asian	27
Asian-East Asian	291
Asian-South Asian	86
Asian-Southeast Asian	88
Asian—unspecified	1,009
Black / African American / African Descent	662
Hispanic / Latinx	708
Middle Eastern Descent	30
Multi Racial / Bi Racial	1,082
Not Listed	213
Pacific Islander / Native Hawaiian	63
White / European Descent	22,506
Respondents	26,987
No Response	14,807
All Member Types	41,794

Members in Firm Type	
Bank	44
Escrow Company	62
Government/ Public Sector	5,164
House Counsel	3,246
Non-profit	524
Title Company	127
Solo	4,997
Solo In Shared Office Or	1,195
2-5 Members in Firm	4,148
6-10 Members in Firm	1,660
11-20 Members in Firm	1,251
21-35 Members in Firm	770
36-50 Members In Firm	555
51-100 Members in Firm	603
100+ Members in Firm	1,849
Not Actively Practicing	2,146
Respondents	28,341
No Response	13,453
All Member Types	41,794

By Practice Area	
Administrative-regulator	2,291
Agricultural	236
Animal Law	107
Antitrust	318
Appellate	1,648
Aviation	186
Banking	435
Bankruptcy	823
Business-commercial	5,231
Cannabis	158
Civil Litigation	372
Civil Rights	1,093
Collections	481
Communications	215
Constitutional	654
Construction	1,341
Consumer	764
Contracts	4,296
Corporate	3,618
Criminal	3,611
Debtor-creditor	877
Disability	572
Dispute Resolution	1,225
Education	476
Elder	817
Employment	2,778
Entertainment	315
Environmental	1,267
Estate Planning-probate	3,206
Family	2,539
Foreclosure	443
Forfeiture	92
General	2,474
Government	2,865
Guardianships	768
Health	960
Housing	335
Human Rights	316
Immigration-naturaliza	1,003
Indian	571
Insurance	1,603
Intellectual Property	2,286
International	898
Judicial Officer	448
Juvenile	789
Labor	1,111
Landlord-tenant	1,196
Land Use	863
Legal Ethics	293
Legal Research-writing	849
Legislation	448
Lgbtq	98
Litigation	4,765
Lobbying	167
Malpractice	728
Maritime	301
Military	380
Municipal	904
Non-profit-tax Exempt	638
Not Actively Practicing	2,027
Oil-gas-energy	264
Patent-trademark-copyr	1,334
Personal Injury	3,126
Privacy And Data Securit	433
Real Property	2,665
Real Property-land Use	2,090
Securities	783
Sports	180
Subrogation	128
Tax	1,296
Torts	2,030
Traffic Offenses	569
Workers Compensation	680

By Languages Spoken	
Afrikaans	5
Akan /twi	6
Albanian	2
American Sign Language	19
Amharic	22
Arabic	49
Armenian	8
Bengali	13
Bosnian	15
Bulgarian	13
Burmese	3
Cambodian	6
Cantonese	107
Cebuano	7
Chamorro	5
Chaozhou/chiu Chow	1
Chin	1
Croatian	20
Czech	7
Danish	19
Dari	5
Dutch	22
Egyptian	2
Estonian	1
Farsi/persian	70
Finnish	8
French	686
French Creole	2
Fukienese	3
Ga/kwa	2
German	404
Gikuyu/kikuyu	1
Greek	33
Gujarati	16
Haitian Creole	3
Hebrew	39
Hindi	108
Hmong	1
Hungarian	17
Ibo	4
Icelandic	2
Ilocano	9
Indonesian	12
Italian	166
Japanese	212
Javanese	1
Kannada/canases	4
Kapampangan	2
Khmer	3
Korean	241
Kurdish/kurmanji	1
Lao	5
Latvian	6
Lithuanian	5
Malay	4
Malayalam	8
Mandarin	412
Marathi	6
Mien	1
Mongolian	1
Navajo	1
Nepali	5
Norwegian	36
Not_listed	49
Oromo	3
Pashto	1
Persian	23
Polish	34
Portuguese	131
Portuguese Creole	1
Punjabi	71
Romanian	23
Russian	236
Samoan	7
Serbian	17
Serbo-croatian	12
Sign Language	19
Singhalese	2
Slovak	3
Spanish	1,847
Spanish Creole	3
Swahili	8
Swedish	52
Tagalog	70
Taishanese	5
Taiwanese	24
Tamil	10
Telugu	4
Thai	12
Tigrinya	5
Tongan	1
Turkish	16
Ukrainian	45
Urdu	47
Vietnamese	89
Yoruba	10
Yugoslavian	3

* Includes active attorneys, emeritus pro-bono, honorary, inactive attorneys, judicial, limited license legal technician (LLLT), and limited practice officer (LPO).

TO: Board of Governors
FROM: Terra Nevitt, Executive Director
DATE: September 15, 2022
RE: Revisiting WSBA COVID-19 Vaccination Policy for Volunteers

ACTION: Revisiting WSBA’s COVID-19 Vaccination Policy for Volunteers considering changes in the local and national response and management of COVID-19.

Summary

On August 21, 2021 the WSBA Board of Governors approved a policy prohibiting WSBA volunteers from engaging in in-person volunteer work for the WSBA unless fully vaccinated against COVID-19. WSBA implemented the policy, creating a [web page](#) with instructions to submit proof of vaccination confidentially.

On March 11, 2022 the Board of Governors revisited the policy and agreed not make any changes to the vaccination policy and that the issue not be raised again until the Court lifts its vaccination mandate. Additionally, the motion included a booster requirement.

On May 4, 2022, WSBA published the [attendee policy](#) for attendees to in-person WSBA meetings and events.

On July 21, 2022 the Board of Governors revisited the policy again and agreed to not make any changes to the vaccination policy but directed staff to seek an informed speaker from the state or county to provide more information about COVID-19, as well as the local policies, practices and guidance.

To date, 227 WSBA volunteers have received a WSBA vaccine verification. The volume of WSBA volunteers returning to in-person meetings has and is expected to continue to increase throughout the coming year.

Local and national trends and responses to COVID-19 continue to evolve.

Statistical Information

Center for Disease Control Guidance

On August 11, 2022, the CDC issued an updated and ‘streamlined’ its guidance, including more guidance around vaccination, what to do if exposed and unvaccinated, what to do if exposed and vaccinated, etc.

The CDC recommends COVID-19 primary series doses and boosters for their age group. People ages 12 years and older are recommended to receive the primary series doses and to receive one updated Pfizer or Moderna (bivalent) booster; this includes people who have received all primary series doses and people who have previously received one or more original (monovalent) boosters.

The CDC recommends use of COVID-19 Community Levels (detailed below) to determine the impact of COVID-19 on communities.

According to the CDC, at all COVID-19 Community Levels, it is important to:

- Stay up to date on vaccination, including recommended booster doses.
- Maintain ventilation improvements.
- Avoid contact with people who have suspected or confirmed COVID-19.
- Follow recommendations for isolation if you have suspected or confirmed COVID-19. An Isolation and Exposure Calculator is available on the CDC website.
- Following the recommendations of what to do if you are exposed to someone with COVID-19. Factors that increase the risk of transmission: longer exposure time, coughing or heavy breathing, asymptomatic individuals, no masks, poorly ventilated areas and close contact touching with an infected person.
- If at high risk of getting very sick, talk with a health care provide about additional prevention actions.

Status of Washington Counties			
	Mar 2022	Jul 2022	Sep 2022
Low	14	13	39
Medium	16	19	0
High	9	7	0

Washington State Department of Health & Governor’s Office

On September 8, 2022, Governor Inslee announced that all remaining COVID-19 emergency proclamations and the state of emergency will be rescinded by October 31, 2022. The statewide ‘Face Covering Order’ will remain in place for health care and long-term care settings, as well as correctional facilities under certain circumstances after the state of emergency ends. Vaccination requirements for health care and education workers will end, but employers will continue to be able to require them if they choose. COVID-19 vaccination will remain a condition of employment for most Washington state agencies.

Washington State Supreme Court

On August 18, 2021, the State Supreme Court issued Order No. 25700-B-699 requiring vaccination for employees of the Supreme Court. This order is still in effect.

Attachments

COVID-19 Volunteer Vaccination Policy, amended March 11, 2022

WASHINGTON STATE BAR ASSOCIATION

POLICY

WSBA VOLUNTEER COVID-19 VACCINATION MANDATE FOR WSBA IN-PERSON MEETINGS AND EVENTS

Approved August 21, 2021

Amended March 11, 2022

WHEREAS, on February 29, 2020, Governor Inslee proclaimed a state of emergency due to the novel coronavirus disease (COVID-19) outbreak in Washington; and on March 13, 2020, President Trump declared a national emergency due to the COVID-19 outbreak across the United States; and on February 24, 2021, President Biden continued the national emergency; and

WHEREAS, the Supreme Court of Washington has strongly encouraged the Washington State Bar Association to adopt and implement similar vaccination requirements for their Workers as set forth in their order No. 25700-B-669 of August 18, 2021, mandating vaccines for all Supreme Court workers, which includes any “employee, independent contractor, service provider, volunteer, or through any other formal or informal agreement to provide goods or services, whether compensated or uncompensated”; and

WHEREAS, it is the duty of every employer to protect the health and safety of employees by establishing and maintaining a healthy and safe work environment and by requiring all volunteers who appear in-person at our events or on-site at our facilities, to comply with health and safety measures; and

WHEREAS, the WSBA has regulatory functions and provides services, to the members and the public in every county in our state with the use of volunteers, and many of our volunteers have the potential to interact with the members, the staff, or the public on a regular basis, and they all interact with some portion of the community at large to varying degrees before and/or after volunteer hours;

and

WHEREAS this board has the authority to set policies that are reasonably necessary for carrying out and fulfilling its duties under GR 12, RCW 2.48, and our Bylaws.

NOW, THEREFORE, the following policy applicable to volunteers is hereby ADOPTED:

1. **Prohibitions.** This policy prohibits any volunteer, including the Board of Governors, from engaging in in-person volunteer work for the WSBA, or as a representative of WSBA, if the volunteer has not been fully vaccinated, which includes a booster dose, against COVID-19. A volunteer must either be vaccinated or qualify for an exemption to be eligible to volunteer in-person or on-site.
2. **Exemptions from Vaccine Requirement.**
 - a) Volunteers are not required to get vaccinated against COVID-19 if they are entitled under the Americans with Disabilities Act (ADA), Title VII of the Civil Rights Act of 1964 (Title VII), the Washington Law Against Discrimination (WLAD), or any other applicable law to a disability-related reasonable accommodation or a sincerely held religious belief accommodation to the requirements of this order.
 - b) To the extent permitted by law, before providing a disability-related reasonable accommodation to the requirements of this order, the WSBA must obtain from the individual requesting the accommodation documentation from an appropriate healthcare or rehabilitation professional authorized to practice in the State of Washington stating that the individual has a disability that necessitates the accommodation and the probable duration of the need for the accommodation.
 - c) To the extent permitted by law, before providing a sincerely held religious belief accommodation to the requirements of this policy, the WSBA must document that the request for an accommodation has been made and the document must include a statement regarding the way in which vaccinations conflict with the religious observance, practice, or belief of the volunteer.

- d) Reasonable accommodations will be determined by the Executive Director on an individualized basis and, where a volunteer is exempt from this mandate, accommodations may include but are not limited to requirements to wear a mask, obtain viral testing regularly, socially distance, appear virtually, or work remotely.
- e) Like the Independent Contractors mentioned in §4(c) of the Supreme Court's Order this policy applies to volunteers only when their services are performed in person or on site, regardless of frequency, and regardless of whether other staff or volunteers are present.

3. Acceptable Proof of Full Vaccination Against COVID-19: Where required above, volunteers

for the WSBA must provide proof of full vaccination against COVID-19. Acceptable proof may include:

- a) CDC COVID-19 Vaccination Record Card or photo of the card;
- b) Documentation of vaccination from a health care provider or electronic health record;
- c) State immunization information system record;
- d) Other forms approved by Human Resources.

Personal attestation is not an acceptable form of verification of COVID-19 vaccination.

This policy will take effect on 8/22/21 and shall remain in effect until further policy change.

Approved by the WSBA Board of Governors on August 21, 2021.



Kyle D. Sciuchetti, WSBA# 26264
WSBA President, 2020-2021

WASHINGTON STATE BAR ASSOCIATION

To: The President, President-elect, and The Board of Governors

From: Terra Nevitt, Executive Director
Tiffany Lynch, Director of Finance
Julie Shankland, General Counsel

Date: September 1, 2022

Re: FY 2023 License Fee *Keller* Deduction

ACTION: Approve 2023 *Keller* deduction schedule.

Each year the annual license fee form provides an “optional *Keller* deduction” approved by the Board of Governors. This is in response to the U. S. Supreme Court 1990 decision in *Keller v. State Bar of California*¹ holding that state bar mandatory fees may not be used over a member’s objection for activities that are *political or ideological in nature and which are not reasonably related to (1) regulating the practice of law, or (2) improving the quality of legal services*. In *Eugster v. WSBA*², the court stated that “the WSBA provides robust procedural safeguards to ensure compliance with *Keller*.” Recent court decisions affirmed that *Keller* has not been overruled, but also provided additional lack of clarity in the definition of chargeability (germaneness). In addition to *Keller*’s Constitutional limitations, General Rules 12-12.3 set out the Washington Supreme Court’s plenary authority over the WSBA, its regulatory objectives for regulating the practice of law, and the WSBA’s purposes, authorized, and prohibited activities.

Article XV of the WSBA Bylaws explains the approach, notice and arbitration provisions. The Bylaws state that “[w]hen calculating the *Keller* deduction, the Bar shall use a conservative test for determining whether an individual activity is chargeable or nonchargeable. When in doubt, the Bar will err in favor of the membership by considering activities to be nonchargeable even when a reasonable argument could be made that such activities were chargeable.” This year’s calculation reflects this conservative approach and includes activities that could reasonably be considered chargeable.

OVERVIEW OF OPTIONAL KELLER DEDUCTION CALCULATION

¹ *Keller v. State Bar of California*, 496 U.S. 1 (1990)

² *Eugster v. WSBA*, No. C15-0375JLR 2015 WL 5175722 (W.D. Wash Sept. 3, 2015), *aff’d*, 684 F.App’x 618 (9th Cir. 2017)

The optional Keller deduction amount for FY 23 is the sum of the following three numbers:

- (1) The full FY 23 budgeted amount for legislative activities divided by the expected number of license fee paying member expected in FY 23;
- (2) The full FY 23 budgeted amount for ABA delegate activities divided by the expected number of license fee paying member expected in FY 23; and
- (3) A percentage of other potentially non-chargeable activities based on a detailed review of the current fiscal year, including staff salary, benefits and overhead, including meeting time, conference call costs and overhead. We used the time period August 1, 2021-July 31, 2022 to make certain we gathered 12 months of financial information.

LEGISLATIVE EXPENSE CALCULATION

The WSBA's FY 23 legislative activity budget amount \$272,010.00 is divided by the anticipated number of license fee paying members in FY23 to calculate the per member amount.

$$\$272,010.00 \div 42,435 = \$6.41$$

We changed our calculation method for the legislative expense beginning with the FY 22 Keller deduction. Prior to that time, we calculated a percentage of the current fiscal year's legislative activities that objecting members might consider non germane and applied that percentage to the next year's legislative budget and divided that number by the anticipated number of license fee paying members to determine the base number. Due to the recent legal challenges and decisions related to the Keller definition of germane activity, we have included the entire legislative budget in the Keller deduction even though some of the activities are germane and chargeable. This reflects a decision to take a conservative approach that favors the membership.

Even though we no longer calculate the percentages, we continue to collect that information and have included that detailed information attached.

ABA DELEGATION EXPENSE CALCULATION

The ABA delegates take political positions, so we treat the entire ABA Delegate budgeted amount as non-chargeable.

$$\$15,000 \div 42,435 = \$0.35$$

OTHER NON-CHARGEABLE EXPENSES/GENERAL STAFF TIME

We reviewed all other WSBA activities to identify other potentially non-chargeable activities. WSBA employees review meeting agendas and minutes and provide details of staff time and meeting expenses for activities that might be non-chargeable. The activities reviewed included CLE programming, Bar News and publications, BOG meetings, diversity, and access to justice activities. We followed the same conservative approach and included germane activities in this calculation

when recent court decisions made the definition of germane activities less clear. The detailed information is attached.

We calculated the amount of the deduction as follows:

- (1) Determine the activities to include in the deduction;
- (2) Determine the percentage of time spent on nonchargeable activities;
- (3) Apply this percentage to the FY 23 budgeted amount for these activities

The total amount spent for staff time, overhead, and costs for this category is \$5,520.23.

$$\$5,520.23 \div 42,435 = \$0.13$$

KELLER DEDUCTION CALCULATION AND ROUNDING UP

The *Keller* deduction is the sum of the amounts in #1, #2, and #3 above. We recommend rounding up the Keller deduction to the next round number for ease of calculation. We recommend that the Keller deduction for FY 23 be set at **\$6.90**

The comparison to previous years is shown in this table:

YEAR	DEDUCTION
2022	\$9.02
2021	\$3.85
2020	\$1.55
2019	\$1.25
2018	\$2.50
2017	\$3.50
2016	\$6.40
2015	\$4.40
2014	\$4.70
2013	\$6.40
2012	\$6.00

Based on these calculations, we recommend the following Keller deduction schedule for 2023 pro-rated by the amount of license fee paid by various categories of WSBA membership:

	License Fee	Keller Deduction
• Active Lawyer Admitted to any Bar before 2021	\$458.00	\$6.90
• Active Lawyer Admitted to any Bar in 2021 or 2022	\$229.00	\$3.45
• Inactive/Pro Bono Lawyer	\$200.00	\$3.01
• New Active Lawyer-admitted same year of exam (Jan 1-June 30)	\$229.00	\$3.45
• New Active Lawyer-admitted same year of exam (July 1-Dec 31)	\$114.50	\$1.73
• Active Limited License Legal Technician Admitted before 2021	\$229.00	\$3.45
• Active LLLT Admitted in 2021 or 2022	\$114.50	\$1.73
• New Active LLLT – admitted same year of exam Jan 1- Jun 30	\$114.50	\$1.73
• New Active LLLT – admitted same year of exam Jul 1- Dec 31	\$57.25	\$0.87
• Active LPO Admitted before 2021	\$200.00	\$3.01
• Active LPO Admitted in 2021 or 2022	\$100.00	\$1.51
• New Active LPO – admitted same year of exam Jan 1- Jun 30	\$100.00	\$1.51
• New Active LPO – admitted same year of exam Jul 1- Dec 31	\$50.00	\$0.75
• Inactive LLLT/LPO	\$100.00	\$1.51
• Judicial	\$50.00	\$0.75

FY 23 KELLER CALCULATION DATA

LEGISLATION

Bill # or Topic	Activity	Employee Hours	
Leg. Review - OLAM & CCOO			
Leg. Review - OLAM & OLAC	Bill referrals to Sections, watching TVW hearings	280	NO
Leg. Review - OLAM & CL			NO
Leg. Review - OLAC & CL			NO
Leg. Review - CCOO & OLAC			
Leg. Admin. Work	Updating website, generating LobbyGov reports, updating keywords and contacts from Sections and other entities	40	CHARGE
SB 5489: Concerning Business Entites (Bar-request legislation)	9/16 discussion with Partnership and LLC Committee representatives	0.5	NO
Bar licensure	10/18 discussion with Rep. Simmons	1	CHARGE
WA Court system	11/19 House Civil Rights and Judiciary Committee workgroup	2	CHARGE
SB 5490: interbranch advisory committee	1/11 call with Brittany Gregory (AOC)		CHARGE
HB 1901: Civil protection orders	1/20 discussion with FLEC and Rep. Goodman	0.5	NO
HB 1901: Civil protection orders	2/17 discussion with Ashley Jackson (Sen. Dhingra)	0.5	NO
HB 1901: Civil protection orders	2/21 discussion with FLEC and Sen. Dhingra	0.5	NO
SB 5920: parenting plans	2/17 discussion with Intisar Surur (SCJA)	0.5	NO
SB 5920: parenting plans	2/18 discussion with Low Bono Section representatives	0.5	NO
SB 5920: parenting plans	2/18 discussion with Cody Eccles (Councilmember Dunn)		NO
SB 5920: parenting plans	2/21 discussion with FLEC and Councilmember Reagan Dunn		NO
Uniform Family Law Arbitration Act	6/20 joint meeting with ADR and FLEC representatives, Sen. Pedersen	1	NO
RPPT proposed amendments to homestead exemption bill	6/22 meeting with Sen. Stanford and RPPT representatives	1	NO
RPPT proposed amendments to homestead exemption bill	8/10 meeting with Sen. Stanford and RPPT representatives	1	NO
SB 5810: Insurance regulation/legal service providers	2/3 call with Brian Kreger (LegalShield)	0.5	CHARGE
Uniform Law Commission priorities: 2022-23	6/6 call with Sen. Pedersen	0.5	NO
HB 1412: legal financial obligations	1/12 discussion with Russell Brown (WAPA)	0.5	CHARGE

Contract lobbyists	Discussions with WSBA contract lobbyists	1.5	NO
WSBA legislative process	4/8 call with Civil Rights Law section representatives	0.5	NO
BOG Meeting Prep.	Staff prep.	4	
BOG Meeting	re: (11/4/21)	2	NO
BLC Meeting	1/7/2022	2	NO
BLC Meeting	1/14/2022	2	NO
BLC Meeting	1/21/2022	2	NO
BLC Meeting	1/28/2022	2	NO
BLC Meeting	2/4/2022	2	NO
BLC Meeting	2/18/2022	2	NO
BLC Meeting	3/4/2022	2	NO
LRC Meeting Prep.	Staff prep.	6	NO
LRC 10/7/21 Meeting		6	NO
Sections Leg. Primer Prep.	Staff prep.	6	CHARGE
12/17/21 Sections Leg. Primer		3	CHARGE

ACCESS TO JUSTICE BOARD

Activity/Topic	Description	Employee Hours	Charge/No Charge
Discussed Rules proposals GR 41 and CR 39 (10/8/2021)	Board discussed proposal from the ATJ Rules committee to submit comments on these rules. The Board did not take action at this meeting	.5	Charge
Discussed Rules proposals GR 41 and CR 39 (12/10/2021)	Board discussed proposal from the ATJ Rules committee to submit comments on these rules. The Board took action at this meeting to submit comments that were drafted by Dave Keenan	.5	Charge
DSCo discussion on legislative outlook (12/20/2021)	DSCo received a report from CLS on the legislative outlook for 2022	.5	No Charge
Discussed legislative updates (1/21/2022)	A guest speaker joined the ATJ Board meeting to give a broad overview of pending legislation that could impact civil legal aid and the client population	1	No Charge
Received state and federal funding updates (1/21/2022)	The Board received routine updates on state and federal funding for legal aid	.5	Charge
Discussed legislative updates (2/11/2022)	A guest speaker joined the ATJ Board meeting to give a broad overview of pending legislation that could impact civil legal aid and the client population	1	No Charge

Received state and federal funding updates (2/11/2022)	The Board received routine updates on state and federal funding for legal aid	.5	Charge
Discussed legislative updates (3/11/2022)	A guest speaker joined the ATJ Board meeting to give a broad overview of pending legislation that could impact civil legal aid and the client population	1	No Charge
Received state and federal funding updates (3/11/2022)	The Board received routine updates on state and federal funding for legal aid	.5	Charge
Discussed revisions to • Code of Judicial Conduct 2.2 • Code of Judicial Conduct 2.6 • Code of Judicial Conduct 2.3 • GR 11/GR11.1 (4/1/2022)	The Board discussed and approved comments to the proposed revisions of each rule	1	Charge
Discussed national landscape for bar associations and ATJ commissions (4/1/2022)	Guest speakers joined the meeting to provide updates on litigation around the country regarding integrated bars and how ATJ commissions are responding	1	Charge
Discussed tenants right to counsel New Special Proceedings Rule (5/6/2022)	The Board received an update on efforts to draft a rule change proposal regarding how courts are handling tenants right to counsel	.5	Charge
Received state and federal funding updates (5/6/2022)	The Board received routine updates on state and federal funding for legal aid	.5	Charge
Discussed tenants right to counsel New Special Proceedings Rule (6/24/2022)	The Board reviewed the draft a rule change proposal regarding how courts are handling tenants right to counsel. The board voted to add their name to list of proposers in support	.5	Charge
Discussed GR 40 (6/24/2022)	The Board discussed and approved submitting a comment in support of revisions to GR 40	.5	Charge
Discussed Disability Rights Taskforce (7/8/2022)	The Board discussed and approved adding their name to the list of supporters to explore setting a governmental Disability Rights Task Force	.5	No Charge
Received state and federal funding updates (7/8/2022)	The Board received routine updates on state and federal funding for legal aid	.25	Charge
DSCo discussion on OCLA Initiatives (3/28/2022)	DSCo received a report from OCLA on legislative funding and how it will be allocated	.5	Charge
Tech Committee discussed implementation of HB 1901 (2/15/2022)	The Tech Committee received a report on how implementation of HB 1901 is being carried out and what the bill attempts to address. The bill updates laws	.25	No Charge

	concerning civil protection orders to further enhance and improve their efficacy and accessibility		
Rules Committee discussed proposed amendments to Code of Judicial Conduct 2.2 • Code of Judicial Conduct 2.6 • Code of Judicial Conduct 2.3 (3/15/2022)	The Rules Committee discussed the proposed amendments and voted to recommend that the ATJ Board submit comments	.5	Charge
2023 ATJ Conference Planning(4/13/2022)	Planning meeting for the 2023 ATJ Conference	1	No Charge
2023 ATJ Conference Planning(5/7/2022)	Planning meeting for the 2023 ATJ Conference	1.5	No Charge
2023 ATJ Conference Planning(5/25/2022)	Planning meeting for the 2023 ATJ Conference	1	No Charge
2023 ATJ Conference Planning(6/8/2022)	Planning meeting for the 2023 ATJ Conference	1	No Charge
2023 ATJ Conference Planning(6/22/2022)	Planning meeting for the 2023 ATJ Conference	1	No Charge
2023 ATJ Conference Planning(7/6/2022)	Planning meeting for the 2023 ATJ Conference	1	No Charge
2023 ATJ Conference Planning(7/14/2022)	Planning meeting for the 2023 ATJ Conference	2	No Charge
2023 ATJ Conference Planning(7/18/2022)	Planning meeting for the 2023 ATJ Conference	2	No Charge
2023 ATJ Conference Planning(8/3/2022)	Planning meeting for the 2023 ATJ Conference	1	No Charge
2023 ATJ Conference Planning(8/8/2022)	Planning meeting for the 2023 ATJ Conference	2	No Charge
2023 ATJ Conference Planning(8/11/2022)	Planning meeting for the 2023 ATJ Conference	2	No Charge

COUNCIL ON PUBLIC DEFENSE

Activity	Description	Employee Hours	Charge/No Charge
Drafted and Submitted GR9 re Independence Rule proposal GR 42	CPD submitted proposed new GR 42 regarding independence of public defense. The CPD did the bulk of work in FY21, but some time was spent in FY22 finalizing and submitting the GR9.	.5	Charge
Support for OPD FY22 Budget Request (10/22/21)	CPD reviewed letter of support drafted by OPD council members in support of OPD 2022 budget request. Presented to BOG to approve sending the letter. The letter was sent to the legislature12/14/2021.	.5	Charge
Proposed New Rule GR 41 and Proposed Changes to CR 39 (10/22/21)	CPD discussed proposed new rule GR 41 and proposed changes to CR 39 (subcommittee meeting plus full CPD discussion)	.5	Charge

Statement regarding increased workloads in public defense (11/19/2021)	The CPD Standards Committee proposed publishing a statement outlining how public defense workloads are increasing in the current environment. The purpose of the statement is to support public defenders in advocating for more public funding.	1	Charge
Discussed activity in the 2022 legislative session (1/28/2022)	A number of CPD members gave updates on pending legislation that would impact public defense and/or the public defense client community	.5	No Charge
Discussed comments to proposed amendments to CrRLJ 3.3 and 3.4 (1/28/2022)	The CPD discussed and past a motion to submit comments on the proposed rule change. The comment was never submitted to the Court due to an inability to get BOG approval in time.	.5	Charge
Discussed activity in the 2022 legislative session (2/18/2022)	A number of CPD members gave updates on pending legislation that would impact public defense and/or the public defense client community	.5	No Charge
Discussed proposed GR 42 (4/22/2022)	The CPD discussed that the comment period was open for the proposed GR 42 and efforts to add comments in support	.25	Charge
Statement regarding increased workloads in public defense (6/24/2022)	The CPD Standards Committee proposed publishing a second statement outlining how public defense workloads are increasing in the current environment. The purpose of the statement is to support public defenders in advocating for more public funding.	.5	Charge

DEI COUNCIL (BOG DIVERSITY COMMITTEE)

Activity	Date	Employee Hours	Charge/No Charge
staff meeting re ATJ Conference	8/3/2021	1	No Charge
staff meeting w/ATJ Conference speaker for tech run through	8/5/2021	.5	No Charge
staff meeting w/ATJ Conference speaker for tech run through	8/6/2021	1	No Charge

staff meeting w/ATJ Conference speaker for tech run through	8/9/2021	1	No Charge
staff hosting Zoom webinar for ATJ Conference sessions	8/11/2021	3.5	No Charge
staff hosting Zoom webinar for ATJ Conference sessions	8/12/2021	2.25	No Charge
staff hosting Zoom webinar for ATJ Conference sessions	8/13/2021	1	No Charge
Staff Prep for meeting re Bar News Black History Month articles	10/5/2021	1.5	Charge
Meeting w/volunteers re Bar News Black History Month articles	10/5/2021	1	Charge
staff meeting re gender inclusive bathrooms	11/4/2021	1.5	Charge
Staff prep for meeting re diversity, equity, and inclusion CLEs	11/16/2021	2	Charge
meeting w/volunteers re diversity, equity, and inclusion CLEs	11/16/2021	1.5	Charge
staff meeting re gender inclusive bathrooms	11/17/2021	1	Charge
Staff planning DEI Legal Lunchbox for Sept 2021		5	Charge
Staff writing article on the importance of not misgendering someone	1/18/2022	8	Charge
Recruiting authors for February Black History Month Articles		4	Charge
staff planning DEI Legal Lunchbox for Feb 2022		5	Charge
staff writing article on creating an inclusive environment for gender diverse coworkers and clients	3/1/2022	5	Charge
staff planning DEI Legal Lunchbox for May 2022		5	Charge

staff recruiting authors for June 2022 Bar News		3	Charge
staff writing article on misgendering and pronouns for June 2022 Bar News	6/9/2022	5	Charge

BOARD OF GOVERNORS MEETINGS

Meeting Date	Time	Activity	Staff	Total Meeting Time	Percentage
Sep-21	0:18:05	Resolution of Remembrance and Thanks; ABA Annual Meeting Report	Terra; Julie; Shelly; Doug; Sara; Rex; Kevin; Diana; Jorge; Renata; Glynnis	10:52:00	2.774%
Nov-21	0:54:10	Legislative Review Committee Recommendations	Terra; Julie; Sara; Doug; Ana; Julianne; Shelly; Rex; Kevin; Diana; Jorge; Glynnis; Jennifer O; Mike Kroner; Omar Abdulla	8:54:53	10.127%
Jan-22	0:09:13	ABA Midyear Meeting Preview	Shelly; Doug; Paris; Renata; Margeaux Green; Bobby; Glynnis; Mike Kroner; Ana; Carolyn MacGregor; Curtiss Melvin; Terra; Sara; Rex; Jorge; Kevin; Julie; Diana; Bonnie; Julianne	10:04:49	1.524%
Mar-22	0:14:55	ABA Midyear Report	Terra; Shelly; Doug; Paris; Renata; Glynnis; Mike Kroner; Ana; Sara; Rex; Julie; Diana;	11:12:39	2.218%

			Bonnie; Julianne		
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FY2023 BUDGET

Submitted for Approval by the Budget and Audit Committee
September 22, 2022

OVERVIEW AND GENERAL ASSUMPTIONS

- FY23 will likely be a hybrid of in-person and remote work, activities, and events with more emphasis on in-person meetings and events as compared to the past two years.
- For historical comparison purposes FY23 budget is being compared to the FY22 Reforecast which represents the most comparable assumptions (i.e. hybrid/remote/in-person) over the past few years. We are also providing a comparison to the FY22 original budget.
- Client Protection Fund (CPF) member assessment is \$20 for 2023.
- CLE revenues are projected to be lower as compared to FY22 because there is no longer a double reporting group as there was in FY22. The FY23 budget numbers align more with pre- 2020 levels.
- We are requesting budget for the addition of two staff and an increase in salaries of 4%.

OVERVIEW

Revenue Assumptions

Member Type	# of Members	Revenue (\$)
Active	33,093	14,923,779
Foreign Law Consultant	19	8,702
House Counsel	350	160,300
Inactive	5800	1,160,000
Emeritus	120	24,000
Judicial	650	32,500
Pro Hac Vice	873	400,000
New Admittee	1460	450,000
TOTAL	42,264	17,159,281*

*membership runs on a calendar year not our fiscal year

- Keller deduction – approximately 13% of members are expected to take the deduction based on historical data
- Late fees – 2% of members are expected to pay late based on historical data = \$280,000
- CPF assessment - \$20 for FY23 = \$730,000

OVERVIEW

CLE Fund Revenue Assumptions

Seminars

- FY22 Revenues projected to be on par w/pre pandemic (FY19).

Products

- On-demand seminar sales are budgeted to be on par w/pre pandemic (FY19).
- We will be planning a Summer and Winter Sale for on-demand products in FY23.

OVERVIEW

Expense Assumptions

- Salaries assume a 4% increase which provides for a 2% increase to midpoints and movement of staff through their designated salary steps and allowance for open positions.
- Pension amounts increased from 10.25% to 10.39%
- Health benefits rates have been finalized and did not require any change to the budget which assumed 4% increase in total cost. Overall rates increased on average by 8%, however the budget takes into account the impact of unfilled positions throughout the year.
- Rent increase as per lease schedule = \$143,146 less \$41,200 credit from CLE fund. Net increase \$101,946.
- Legal expense is estimated at \$250k as per prior years budget.
- Higher Logic Volunteer Management Platform \$43,500.00 in Capital Account - would be depreciated starting in FY23 at \$6,525.00 per year.
- Office Space Downsizing Project - Approximately \$97k and depreciated over three years. Consolidate WSBA office space to Floors 6 and 7 with the goal of subleasing floors 8 and 11.

SALARIES

FY22 Reforecast	FY23 Budget
\$12,388,996	\$13,053,765

- Based on feedback from the July BOG meeting we did some research and reached out to Gallagher to find out if we were in the ball park for salary increases. Gallagher suggested a 4-5% increase to our midpoints and sent us information stating that the average salary increase for companies in FY23 is 4.1%. We confirmed that with our own research as well. With that in mind, we calculated a 2% increase to our midpoints and, that, along with moving the staff through to their next steps, results in a 4% overall increase to salaries.
- After additional feedback from the Practice of Law Board, Council on Public Defense and a careful analysis of our staffing capacity we are requesting budget for two additional positions. The approximate cost for two additional positions is \$226,322.00 (\$165,076.00 salary + \$61,246.00 benefits/taxes).

FY2022 REFORECAST TO FY2023 BUDGET COMPARISON

GENERAL FUND		
	<u>FY 22 REFORECAST</u>	<u>FY23 BUDGET V2</u>
		<i>Anticipates Two Staff Adds, 4% Salary Increase</i>
BEGINNING CYCLE PROJECTED FUND BALANCE (actual for FY22)	7,072,174	7,307,328
BUDGETED REVENUE	21,531,920	21,891,872
<i>Licensing Revenue</i>	16,703,401	17,159,281
<i>Other Revenue</i>	4,828,519	4,732,591
BUDGETED EXPENSES	21,296,766	22,453,069
<i>Direct</i>	2,710,263	2,649,466
<i>Indirect</i>	18,586,503	19,803,603
BUDGETED NET INCOME/(LOSS) AND ANTICIPATED USE OF RESERVES	235,154	-561,197
RESERVE BALANCE OFFSET		561,197
NET OPERATING RESULT	235,154	0
FY23 Fund Balance Budget	7,307,328	6,746,131
Operating & Facilities Restricted Reserves	2,550,000	3,000,000
Unrestricted Reserves	4,757,328	3,746,131

FY2023 BUDGET V1 TO V2 COMPARISON

GENERAL FUND			
	<u>FY23 BUDGET V1</u>	<u>FY23 BUDGET V1</u>	<u>FY23 BUDGET V2</u>
	<i>Anticipates No Change to current staffing, 2.3% Salary Increase (Presented @ July Mtg)</i>	<i>Anticipates Two Staff Adds, 2.3% Salary Increase (Presented @ July Mtg)</i>	<i>Aniticipates Two Staff Adds, 4% Salary Increase</i>
BEGINNING CYCLE PROJECTED FUND BALANCE (actual for FY22)	7,307,328	7,307,328	7,307,328
BUDGETED REVENUE	21,891,872	21,891,872	21,891,872
<i>Licensing Revenue</i>	17,159,281	17,159,281	17,159,281
<i>Other Revenue</i>	4,732,591	4,732,591	4,732,591
BUDGETED EXPENSES	22,174,368	22,392,852	22,453,069
<i>Direct</i>	2,762,357	2,762,357	2,649,466
<i>Indirect</i>	19,412,011	19,630,495	19,803,603
BUDGETED NET INCOME/(LOSS) AND ANTICIPATED USE OF RESERVES	-282,496	-500,980	-561,197
RESERVE BALANCE OFFSET	282,496	500,980	561,197
NET OPERATING RESULT	0	0	0
FY23 Fund Balance Budget	7,024,832	6,806,348	6,746,131
Operating & Facilities Restricted Reserves	3,000,000	3,000,000	3,000,000
Unrestricted Reserves	4,024,832	3,806,348	3,746,131

FY2023 PROJECTED FUND BALANCES

	General Fund	CPF Fund	CLE	Sections
FY22 Reforecast Fund Balances	7,307,328	4,203,484	1,305,367	1,246,843
FY23 Budget Revenue	21,891,872	730,000	1,894,725	649,695
<i>Licensing Revenue</i>	17,159,281			
<i>Other Revenue</i>	4,732,591			
FY23 Budget Expenses	22,453,069	684,210	1,677,471	904,646
<i>Direct</i>	2,649,466	502,300	375,544	904,646
<i>Indirect</i>	19,803,603	181,910	1,301,927	0
FY23 Budgeted Net Income/(Loss)	-561,197	45,790	217,254	-254,951
Anticipated Use of Reserves	561,197	0	0	254,951
Net Operating Result	0	45,790	217,254	0
FY23 Fund Balance Budget	6,746,131	4,249,274	1,522,621	991,892
Operating & Facilities Restricted Reserves	3,000,000			
Unrestricted Reserves	3,746,131			

GENERAL FUND PROJECTIONS FY 2023 - FY 2026

LICENSE FEES @ \$458

	FY 22 REFORECAST	FY23 BUDGET V2	FY24 PROJECTIONS	FY25 PROJECTIONS	FY26 PROJECTIONS
		<i>Anticipates Two Staff Adds, 4% Salary Increase</i>			
BEGINNING CYCLE PROJECTED FUND BALANCE (actual for FY22)	7,072,174	7,307,328	6,746,131	5,787,287	4,384,169
BUDGETED REVENUE	21,531,920	21,891,872	22,329,709	22,776,304	23,231,830
<i>Licensing Revenue</i>	16,703,401	17,159,281	17,502,467	17,852,516	18,209,566
<i>Other Revenue</i>	4,828,519	4,732,591	4,827,243	4,923,788	5,022,263
BUDGETED EXPENSES	21,296,766	22,453,069	23,288,553	24,179,421	24,992,746
<i>Direct</i>	2,710,263	2,649,466	2,728,950	2,810,819	2,895,143
<i>Indirect</i>	18,586,503	19,803,603	20,559,603	21,368,603	22,097,603
BUDGETED NET INCOME/(LOSS) AND ANTICIPATED USE OF RESERVES	235,154	-561,197	-958,844	-1,403,117	-1,760,916
RESERVE BALANCE OFFSET		561,197	958,844	1,403,117	1,760,916
NET OPERATING RESULT	235,154	0	0	0	0
FY23 Fund Balance Budget	7,307,328	6,746,131	5,787,287	4,384,170	2,623,253
Operating & Facilities Restricted Reserves	2,550,000	3,000,000	3,000,000	3,000,000	3,000,000
Unrestricted Reserves	4,757,328	3,746,131	2,787,287	1,384,170	-376,747

Active members as of 7/22 = 34,411

FY24 Active = 35100

FY25 Active = 35800

FY26 Active = 36500

Assumes 2% Net Growth Rate

Under this scenario the license fee would need to increase in FY25 to maintain at least \$1 million in unrestricted reserves

Assumptions:

\$489,000 in salary increases which represents movement through the grid and total salary increase of 3.8%

4% increase in benefits (health/pension) = \$122k

\$105k net increase in rent

2% increase in other indirect costs (\$2million base = \$40k)

Total Indirect Cost Increase = \$756k

3% increase in direct costs

Revenue growth of 2%

Assumptions:

\$536,000 in salary increases with 2% increase to the midpoints which represents overall salary increase of 4%

4% increase in benefits (health/pension) = \$127k

\$105k net increase in rent

2% increase in other indirect costs (\$2.04 million base = \$41k)

Total Indirect Cost Increase = \$809k

3% increase in direct costs

Revenue growth of 2%

Assumptions:

\$450,000 in salary increases which represents movement through the grid and total salary increase of 3.1%

4% increase in benefits (health/pension) = \$132k

\$105k net increase in rent

2% increase in other indirect costs (\$2.08 million base = \$42k)

Total Indirect Cost Increase = \$729k

3% increase in direct costs

Revenue growth of 2%

REVENUE BY FUND

	FY21 Actuals (\$)	FY22 Reforecast (\$)	FY23 v2 Budget (\$)
General Fund	21,051,439	21,531,920	21,891,872
CPF Fund	506,141	828,319	730,000
Sections	607,937	637,652	649,695
CLE	1,586,727	2,219,681	1,894,725

EXPENSE BY FUND

	FY21 Actuals (\$)	FY22 Reforecast (\$)	FY23 v2 Budget (\$)
General Fund	19,507,499	21,296,766	22,453,069
CPF Fund	653,025	671,081	684,210
Sections	309,304	899,652	904,646
CLE	1,407,176	1,563,106	1,677,471

DIRECT EXPENSE BY FUND

	FY21 Actuals (\$)	FY22 Reforecast (\$)	FY23 v2 Budget (\$)
General Fund	1,916,420	2,510,772	2,649,466
CPF Fund	501,909	503,767	502,300
Sections	309,304	899,652	904,646
CLE	248,557	357,566	375,544

INDIRECT EXPENSE BY FUND

	FY21 Actuals (\$)	FY22 Reforecast (\$)	FY23 v2 Budget (\$)
General Fund	17,591,078	18,785,994	19,803,603
CPF Fund	151,116	167,313	181,910
Sections	0	0	0
CLE	1,158,620	1,205,540	1,301,927

NET INCOME BY FUND

	FY21 Actuals (\$)	FY22 Reforecast (\$)	FY23 v2 Budget (\$)
General Fund	1,543,940	235,154	(561,197)
CPF Fund	(146,884)	157,238	45,790
Sections	298,634	(262,000)	(254,951)
CLE	179,551	656,575	217,254

**Washington State Bar Association
Budget Comparison**

		FY22 Reforecast	FY23 Budget v2	FY22 Reforecast vs FY23 Budget v2 F/(U)	% of change F/(U)
WSBA					
REVENUE:					
Copy Fees	40200	36		(36)	-100%
Diversion	40205	7,292	7,500	208	3%
Records Request Fees	40210	3	963	960	30471%
Donations & Grants	40300	265,000	265,000	-	0%
Interest - Investments	40500	11,886	39,120	27,234	229%
License Fees	40600	15,732,857	16,309,281	576,424	4%
License Fees - New Admittees	40625	508,058	450,000	(58,058)	-11%
License Fees - Late Fees	40650	255,018	280,000	24,982	10%
License Fees - ReinStatements	40675	16,156	14,186	(1,971)	-12%
Miscellaneous	40700	60		(60)	-100%
Exam Soft Revenue	40705	-	27,000	27,000	100%
Misc Over/Under Payments	40750	2,300		(2,300)	-100%
Publications Revenue	40800	4,000	2,000	(2,000)	-50%
Royalties	40900	62,726	60,800	(1,926)	-3%
NMP Product Sales	40950	60,000	65,000	5,000	8%
Shipping & Handling	41000	81	100	19	23%
Status Certificate Fees	41100	24,061	27,000	2,939	12%
Sponsorships	41450	10,000	13,000	3,000	30%
Annual or Other Meeting Rev	41500	2,000	2,000	-	0%
Conferences & Institutes	41700	8,000	5,000	(3,000)	-38%
Seminar Registrations	41800	806,500	871,450	64,950	8%
Mini-CLE Revenue	41805	36,070	36,430	360	1%
Seminar Revenue-Other	41825	5,000	20,000	15,000	300%
Seminar Splits w/CLE	41850	139,494	(205)	(139,699)	-100%
Seminar Splits w/Others	41875	8,000	14,300	6,300	79%
Bar Exam Fees	42207	1,172,120	1,213,000	40,880	3%
Bar Exam Late Fees	42230	40,256	40,000	(256)	-1%
House Counsel Application Fees	42232	39,488	54,000	14,512	37%
Rule 9/Legal Intern Fees	42270	11,242	12,000	758	7%
Law Clerk Fees	42275	220,000	185,000	(35,000)	-16%
LLLT Exam Late Fee	42278	300	-	(300)	-100%
RPC Booklets	42280			-	-100%
LLLT License Fees	42281	12,634	16,622	3,988	32%
LLLT Exam Fees	42282	3,550	-	(3,550)	-100%
Foreign Law Consultant Fees	42285	1,860	1,240	(620)	-33%
Law Clerk Application Fees	42286	2,500	3,200	700	28%
Special Admissions	42287	4,387	15,700	11,313	258%
Investigation Fees	42288	22,159	21,500	(659)	-3%
Pro Hac Vice	42290	362,311	400,000	37,689	10%
LLLT Late License Fees	42291	1,000	1,100	100	10%
Audit Revenue	42450	1,000	1,000	-	0%
BNews Display Advertising	42710	400,000	400,000	-	0%
BNews Subscript/Single Issues	42720	200	200	-	0%
BNews Classified Advertising	42730	2,500	2,500	-	0%
BNews Gen Announcements	42740	14,000	-	(14,000)	-100%
BNews Prof Announcements	42750	22,500	-	(22,500)	-100%
Job Target Advertising	42760	180,000	200,000	20,000	11%
Deskbook Sales	43100	82,000	150,000	68,000	83%
Coursebook Sales	43200	5,717	7,000	1,283	22%
MP3 Sales	43350	187,620	-	(187,620)	-100%
Digital Video Sales	43400	1,099,663	924,000	(175,663)	-16%
Section Publication Sales	43450	6,000	6,000	-	0%
Resold Product Sales	43455	31,600	35,000	3,400	11%
Casemaker Royalties	43525	45,000	50,000	5,000	11%
WSBA Logo Merchandise Sales	44100	113	2,500	2,387	2108%
Recovery of Discipline Costs	44350	100,000	100,000	-	0%
Discipline History Summary	44450	17,000	18,000	1,000	6%
Practice Monitor Fees	44460	4,000	-	(4,000)	-100%
LLLT Waiver Fees	44560	-	-	-	-100%
CPF Restitution	44820	30,000	40,000	10,000	33%
CPF Member Assessments	44840	792,503	690,000	(102,503)	-13%

Member Contact Information	45040	3,125	4,000	875	28%
Photo Bar Card Sales	45060	247	200	(47)	-19%
LPO Examination Fees	45110	28,350	24,000	(4,350)	-15%
LPO Exam Late Fee	45115	5,500	4,300	(1,200)	-22%
LPO License Fees	45120	172,579	164,750	(7,829)	-5%
LPO Late License Fees	45125	5,100	988	(4,112)	-81%
LPO License Fees - ReinStates	45140	667	550	(117)	-18%
Accredited Program Fees	45210	566,556	550,000	(16,556)	-3%
Form 1 Late Fee	45215	220,000	220,000	-	0%
Member Late Fees	45220	401,200	190,000	(211,200)	-53%
Annual Accredited Sponsor Fees	45230	39,250	38,250	(1,000)	-3%
Attendance Fees	45240	-	-	-	-100%
Attendance Late Fees	45250	115,000	98,000	(17,000)	-15%
COMITY Certificates - Request	45255	13,500	14,000	500	4%
COMITY Certificates - Submit	45260	28,500	15,000	(13,500)	-47%
Trial Advocacy Program	47100	15,000	12,000	(3,000)	-20%
50 Year Member Tribute Lunch	42570	-	-	-	-100%
Reimbursements From Sections	48010	284,000	290,543	6,543	2%
Section Dues Revenue	48200	439,178	440,225	1,047	0%
TOTAL REVENUE		25,217,572	25,166,292	(51,280)	0%
DIRECT EXPENSES:					
Bad Debt Expense	50010	-	-	-	100%
Depreciation	50015	0	46,986	(46,986)	19577400%
Bank Fees	50020	2,067	2,100	(33)	-2%
Consulting Services	50033	209,175	179,625	29,550	14%
Donations/Sponsorships/Grants	50037	250,280	260,828	(10,548)	-4%
Postage	50060	124,141	127,550	(3,409)	-3%
Printing & Copying	50070	260,750	253,100	7,650	3%
Publications Production	50080	181	200	(19)	-11%
YLL Section Program	50085	1,500	1,500	-	0%
Records Storage - Off Site	50090	-	-	-	100%
CLE Comps	50095	-	1,000	(1,000)	100%
Staff Travel/Parking	50100	71,036	82,678	(11,642)	-16%
Covid19	50105	-	-	-	100%
Staff Training & Conferences	50110	110,104	135,965	(25,861)	-23%
Staff Membership Dues	50120	16,755	19,000	(2,245)	-13%
Subscriptions	50130	9,653	8,687	966	10%
Transcription Services	50135	-	-	-	100%
Supplies	50140	2,650	2,900	(250)	-9%
Surveys	50145	50,300	17,050	33,250	66%
Digital/Online Development	50155	16,609	1,000	15,609	94%
Telephone	50160	88,415	97,359	(8,944)	-10%
Conference Calls	50165	5,811	3,925	1,886	32%
Miscellaneous	50170	-	-	-	100%
Pro Bono & Legal Aid Committee	52110	2,000	1,500	500	25%
ATJ Board Retreat	52121	2,000	2,000	-	0%
Leadership Training	52125	48,000	42,000	6,000	13%
ATJ Board Expense	52140	24,000	78,400	(54,400)	-227%
Facility, Parking, Food	52210	102,038	110,000	(7,962)	-8%
Examiner Fees	52215	36,000	36,000	-	0%
UBE Examinations	52221	126,900	123,000	3,900	3%
Board of Bar Examiners	52225	23,000	18,850	4,150	18%
Bar Exam Proctors	52230	31,000	39,000	(8,000)	-26%
Character & Fitness Board Exp	52235	10,000	12,000	(2,000)	-20%
Disability Accommodations	52240	21,833	31,000	(9,167)	-42%
Character & Fitness Investi	52245	2,100	2,100	-	0%
Law School Visits	52250	850	1,700	(850)	-100%
Law Clerk Board	52255	4,667	8,000	(3,333)	-71%
Rule 9 Task Force	52257	-	-	-	100%
Law Clerk Outreach	52258	667	550	117	18%
Depreciation-Software	52270	21,235	24,929	(3,694)	-17%
ABA Delegates	52520	4,800	15,000	(10,200)	-213%
Section/Committee Chair Mtgs	52540	500	1,000	(500)	-100%
APEX Dinner Expenses	52570	43,416	47,000	(3,584)	-8%
50 Year Member Tribute Lunch	52573	23,007	20,000	3,007	13%
Washington Leadership Institute	52585	44,764	80,000	(35,236)	-79%
Bar Leaders Conference	52590	-	12,000	(12,000)	100%
Jud Recommend Committee	52660	4,500	2,250	2,250	50%
Committee for Diversity	52680	6,000	3,800	2,200	37%

Diversity Events & Projects	52681	18,000	39,250	(21,250)	-118%
LLLT Board	52683	15,449	15,000	449	3%
Exam Writing	52688	12,900	9,000	3,900	30%
LLLT Education	52689	-	500	(500)	0%
Graphics/Artwork	52710	200	100	100	50%
Outside Sales Expense	52730	1,730	-	1,730	100%
BOG Meetings	52810	146,665	205,000	(58,335)	-40%
BOG Committees' Expenses	52820	501	7,000	(6,499)	-1297%
BOG Retreat	52821	15,042	50,000	(34,958)	-232%
BOG Conference Attendance	52822	57,400	43,000	14,400	25%
BOG Travel & Outreach	52830	30,000	10,000	20,000	67%
ED Travel & Outreach	52840	5,601	5,000	601	11%
Public Defense	52874	6,000	4,000	2,000	33%
Communications Outreach	52878	10,680	15,000	(4,320)	-40%
BOG Elections	52880	26,000	26,900	(900)	-3%
Member Outreach/town Mtgs	52910	17,772	-	17,772	100%
Special Events	52920	-	-	-	0%
Board of Trustees	52940	1,590	750	840	53%
President's Dinner	52960	10,000	10,000	-	0%
Cost of Sales - Deskbooks	53210	64,000	65,000	(1,000)	-2%
Cost of Sales - Coursebooks	53220	1,054	690	364	35%
Cost of Sales - Section Public	53225	1,560	1,500	60	4%
A/V Develop Costs (Recording)	53250	2,000	1,250	750	38%
CLE-Equip-Depreciation	53255	1,312	1,309	3	0%
Obsolete Inventory	53260	-	-	-	100%
Splits to Sections	53265	500	300	200	40%
Deskbook Royalties	53270	200	300	(100)	-50%
Online Product Hosting Expenses	53285	54,000	53,000	1,000	2%
Postage & Delivery-Deskbooks	53320	-	-	-	100%
Postage & Delivery-Coursebooks	53330	58	-	58	100%
Fliers/Catalogs	53410	-	-	-	100%
Postage - Fliers/Catalogs	53430	-	-	-	100%
Coursebook Production	53610	-	1,000	(1,000)	100%
Postage - Fliers/Catalogs	53620	-	5,000	(5,000)	100%
Accreditation Fees	53640	3,000	3,000	-	0%
Seminar Brochures	53660	-	20,000	(20,000)	-100%
Facilities	53690	83,200	165,200	(82,000)	-99%
Speakers & Program Develop	53700	15,100	33,500	(18,400)	-122%
Splits to Sections	53710	115,000	-	115,000	100%
Honoraria	53730	1,500	1,200	300	20%
CLE Seminar Committee	53740	150	200	(50)	-33%
Image Library	54026	4,100	4,100	-	0%
Bar Outreach	54027	11,681	18,000	(6,319)	-54%
Pro Bono Certificates	54130	2,000	2,000	-	0%
Court Reporters	54310	60,000	75,000	(15,000)	-25%
Outside Counsel Expenses	54320	1,500	1,500	-	0%
Litigation Expenses	54360	25,200	25,200	-	0%
Disability Expenses	54370	9,000	9,000	-	0%
Online Legal Research	54380	75,233	1	75,232	100%
Law Library	54390	12,938	1	12,937	100%
Translation Services	54400	9,400	9,400	-	0%
Practice Monitor Expenses	54430	4,000	1,000	3,000	75%
Organizational Training	54512	20,000	15,000	5,000	25%
WSBA Connects	54514	8,777	-	8,777	100%
Recruiting and Advertising	54520	5,000	6,600	(1,600)	-32%
Payroll Processing	54530	52,538	50,000	2,538	5%
Salary Surveys	54540	2,000	1,500	500	25%
Transfer to Indirect Expense	54590	(81,032)	(77,100)	(3,932)	-5%
Library Materials/Resources	54610	2,000	4,000	(2,000)	-100%
Prof Liab Insurance	54760	4,467	-	4,467	100%
Gifts to injured Clients	54810	500,000	500,000	-	0%
CPF Board	54820	1,500	-	1,500	100%
Contract Lobbyist	54920	10,000	15,000	(5,000)	-50%
Legislative Committee	54940	2,500	1,250	1,250	50%
BOG Legislative Committee	54970	300	300	-	0%
Licensing Forms	55010	1,977	2,000	(23)	-1%
LPO Board Expenses	55130	2,000	1,792	208	10%
LPO Outreach	55165	3,333	1,000	2,333	70%
MCLE Board Expenses	55210	1,300	2,000	(700)	-54%
Depreciation-Software	55220	22,747	59,565	(36,818)	-162%
Casemaker/FastCase	55250	80,000	73,000	7,000	9%
Speakers & Program Development	55265	500	100	400	80%
New Lawyer Outreach Events	55266	1,500	1,500	-	0%

New Lawyers Committee	55270	7,500	12,000	(4,500)	-60%
Open Sections Night	55285		3,500	(3,500)	0%
Disciplinary Board Expenses	55310	4,118	4,000	118	3%
Chief Hearing Officer	55320	33,000	30,000	3,000	9%
Hearing Officer Expenses	55330	33,814	17,500	16,314	48%
Hearing Officer Training	55340	647	400	247	38%
Outside Counsel	55370	55,000	60,000	(5,000)	-9%
Court Rules Committee	55419	100	1,000	(900)	-900%
Practice of Law Board	55510	12,000	12,000	-	0%
CPE Committee	55610	3,723	1,000	2,723	73%
Wills	55615		2,000	(2,000)	100%
Custodianship	55620	8,150	8,150	0	0%
Small Town and Rural Committee	55980	2,000	3,000	(1,000)	-50%
Computer Hardware	56100	65,000	65,000	-	0%
Computer Software	56150	200,000	310,000	(110,000)	-55%
Hardware Service & Warranties	56225	55,000	60,000	(5,000)	-9%
Software Maint & Licensing	56230	380,000	380,000	-	0%
Telephone Hardware & Maint	56400	-	-	-	100%
Computer Supplies	56500	5,000	2,000	3,000	60%
Third Party Services	56550	30,000	40,000	(10,000)	-33%
Transfer to Indirect Expenses	56900	(760,985)	(1,074,450)	313,465	41%
Trial Advocacy Expenses	57320	1,500	1,500	-	0%
Dues Statements	58010	4,593	5,000	(407)	-9%
Annual or Other Meeting Expens	58125	17,200	28,640	(11,440)	-67%
Attendance at BOG Meetings	58150	4,075	1,960	2,115	52%
Awards	58175	9,150	11,520	(2,370)	-26%
Breakfast/Lunch/Dinner Mtg Exp	58200	5,500	7,300	(1,800)	-33%
Conference/Institute Expense	58225	-	23,145	(23,145)	100%
Executive Committee Expenses	58300	85,375	75,950	9,425	11%
Executive Comm Exp - Other	58305	37,500	36,550	950	3%
Honorarium	58315	7,300	9,500	(2,200)	-30%
Ldship/Prof Develop/Retreats	58325	71,150	89,670	(18,520)	-26%
Legislative/Lobbying	58326	2,000	1,500	500	25%
Membership & Recruiting Exp	58350	20,775	24,025	(3,250)	-16%
Newsletter/Publication Expense	58375	13,350	14,560	(1,210)	-9%
Per Member Charge	58400	287,423	272,143	15,280	5%
Reception/Forum Expense	58450	39,150	43,510	(4,360)	-11%
New Lawyer Outreach	58500	3,800	6,800	(3,000)	-79%
Scholarships/Donations/Grant	58525	127,500	143,370	(15,870)	-12%
Section Committee Expense	58550	6,200	3,000	3,200	52%
Section Special Projects	58600	12,750	14,200	(1,450)	-11%
Law School Outreach	58615	8,500	11,300	(2,800)	-33%
Mini-CLE Expense	58620	53,924	42,959	10,965	20%
Seminar Expense - Sections	58625	74,750	63,144	11,606	16%
Website Expenses	58675	17,390	8,420	8,970	52%
Seminar Scholarships	58750	5,000	6,000	(1,000)	-20%

TOTAL DIRECT EXPENSES:

4,471,248 4,431,956 39,293 1%

INDIRECT EXPENSES:

Salaries - Salaries	51110	12,388,996*	13,053,765	(664,769)**	-4%
Salaries - Budgeted Temporary Employees	51120	296,211	200,627	95,584	32%
Salaries - Unanticipated Temps	51121	30,497	10,000	20,497	67%
Salaries - Staff Replacement Temps	51122	67,591	-	67,591	100%
Salaries - Vacation & Comp Time Accruals	51130	39,365	-	39,365	100%
Salaries - Unanticipated Staff Adjustments	51135	40,000	50,000	(10,000)	-100%
Benefits - Employee Assistance Plan	51210	4,800	4,800	-	0%
Benefits - Employee Service Awards	51220	1,840	2,038	(198)	-11%
Benefits - FICA (Employer Portion)	51230	805,818	806,675	(858)	0%
Benefits - L&I Insurance	51240	49,414	62,000	(12,586)	-25%
Benefits - WA State Family Medical Leave (ER Poi	51245	17,337	18,000	(663)	-4%
Benefits - Medical (Employer Portion)	51250	1,603,294	1,701,927	(98,633)	-6%
Benefits - Parking Benefits	51260	-	-	-	100%
Benefits - Retirement (Employer Portion)	51270	1,233,481	1,356,286	(122,805)	-10%
Benefits - Transportation Allowance	51280	47,733	65,843	(18,110)	-38%
Benefits - Unemployment Insurance	51290	70,000	65,206	4,794	7%
Benefits - Staff Contributions to Benefit	51295	-	-	-	100%
Workplace Benefits	51310	45,000	45,980	(980)	-2%
Staff Development-General	51315	-	-	-	100%
Human Resources Pooled Exp	51340	99,058	77,100	21,958	22%
Meeting Support Expenses	51405	5,000	10,000	(5,000)	-100%

Rent	51410	2,029,301	2,131,247	(101,946)	-5%
Personal Prop Taxes-WSBA	51420	6,466	6,650	(184)	-3%
Furniture, Maint, LH Imp	51430	16,719	25,300	(8,581)	-51%
Office Supplies & Equip	51440	12,741	18,000	(5,259)	-41%
Furn & Office Equip Deprec	51450	43,009	96,357	(53,348)	-124%
Computer Hardware Deprec	51470	24,114	45,354	(21,240)	-88%
Computer Software Deprec	51480	80,904	99,251	(18,347)	-23%
Insurance	51500	238,839	272,643	(33,804)	-14%
Work from Home Furniture & Equipment	51501	63,000	14,000	49,000	78%
Professional Fees-Audit	51505	40,000	50,000	(10,000)	-25%
Professional Fees- Legal	51510	250,000	250,000	0	0%
Internet Reimbursement	51515	21,600	33,600	(12,000)	-56%
Postage - General	51520	24,000	24,000	0	0%
Records Storage	51525	30,000	30,000	(0)	0%
Staff Training	51526	-	-	-	100%
Bank Fees (Indirect)	51530	48,000	51,000	(3,000)	-6%
Production Maint & Supplies	51620	16,692	15,340	1,352	8%
Computer Pooled Expenses	51710	942,450	1,074,450	(132,000)	-14%
Allowance for Open Positions	51925	(200,000)	(200,000)	-	0%
Capital Labor & Overhead	51955	(285,000)	(280,000)	5,000	2%
TOTAL INDIRECT EXPENSES:		19,959,356	21,287,440	(1,328,083)	-7%
TOTAL ALL EXPENSES:		24,430,605	25,719,395	(1,288,790)	-5%
NET INCOME (LOSS):		786,967	(553,103)	(1,340,070)	170%

FTEs 139.65 141.05

*includes \$288,914 vacant position allowance making projected reforecast salaries \$12,100,082

**\$165,076 represents additional staff adds

REVENUE

General Fund	21,531,920	21,891,872	359,952	2%
CPF Fund	828,319	730,000	(98,319)	-12%
Sections	637,652	649,695	12,043	2%
CLE	2,219,681	1,894,725	(324,956)	-15%

DIRECT EXPENSE

General Fund	2,710,263	2,649,466	60,797	2%
CPF Fund	503,767	502,300	1,467	0%
Sections	899,652	904,646	(4,994)	-1%
CLE	357,566	375,544	(17,978)	-5%

INDIRECT EXPENSE

General Fund	18,586,503	19,803,604	(1,217,101)	-7%
CPF Fund	167,313	181,910	(14,597)	-9%
Sections	-	-	-	100%
CLE	1,205,540	1,301,926	(96,386)	-8%

TOTAL EXPENSE

General Fund	21,296,766	22,453,070	(1,156,303)	-5%
CPF Fund	671,081	684,210	(13,130)	-2%
Sections	899,652	904,646	(4,994)	-1%
CLE	1,563,106	1,677,470	(114,364)	-7%

NET INCOME

General Fund	235,154	(561,197)	(796,351)	339%
CPF Fund	157,238	45,790	(111,449)	71%
Sections	(262,000)	(254,951)	7,049	3%
CLE	656,575	217,254	(439,321)	67%

(553,103)

**Washington State Bar Association
FY22 Reforecast and FY23 v2 Budget Comparison**

LIC-Licensing Revenue

	FY21 Actuals	FY22 Reforecast	FY23 Budget v2	FY23 Budget v2 vs Reforecast FY22 F/(U)	% of change F/(U)
REVENUE:					
License Fees	16,729,236	16,512,089	17,053,467	541,378	3%
TOTAL REVENUE	16,729,236	16,512,089	17,053,467	541,378	3%
DIRECT EXPENSES:					
INDIRECT EXPENSES:					
NET INCOME (LOSS):	16,729,236	16,512,089	17,053,467	541,378	3%

Washington State Bar Association
FY22 Reforecast and FY23 v2 Budget Comparison

ADMIN - Administration

	FY21 Actuals	FY22 Reforecast	FY23 Budget v2	FY23 Budget v2 vs Reforecast FY22 F/(U)	% of change F/(U)
REVENUE:					
Interest - Investments	4,577	5,160	26,000	20,840	404%
Miscellaneous		60		(60)	-100%
Misc Over/Under Payments	-	2,300		(2,300)	-100%
TOTAL REVENUE	16,733,813	5,160	26,000	20,840	404%
DIRECT EXPENSES:					
Consulting Services	11,000	10,000	10,000	-	0%
Staff Travel/Parking	1,646	2,800	3,000	(200)	-7%
Staff Training & Conferences		350	500	150	-43%
TOTAL DIRECT EXPENSES:	12,646	13,150	13,500	(350)	-3%
INDIRECT EXPENSES:					
Salaries - Salaries	660,070	626,242	617,691	8,551	1%
Salaries - Budgeted Temporary Employees	17,656	13,838	41,000	(27,162)	-196%
Salaries - Vacation & Comp Time Accruals	946	1,947		1,947	100%
Indirect Allocation In - Salaries		2,203	2,952	(749)	-34%
Benefits	196,478	185,078	212,353	(27,275)	-15%
OTHER INDIRECT EXPENSE	183,017	193,433	224,508	(31,075)	-16%
TOTAL INDIRECT EXPENSES:	1,058,167	1,022,741	1,098,503	(75,763)	-7%
TOTAL ALL EXPENSES:	1,070,812	1,035,891	1,112,003	(76,113)	-7%
NET INCOME (LOSS):	15,663,001	(1,030,731)	(1,086,003)	(55,273)	-5%
FTEs		6.92	6.92		

**Washington State Bar Association
FY22 Reforecast and FY23 v2 Budget Comparison**

BOG - Board of Governors

	FY21 Actuals	FY22 Reforecast	FY23 Budget v2	FY23 Budget v2 vs Reforecast FY22 F/(U)	% of change F/(U)
REVENUE:					
DIRECT EXPENSES:					
Leadership Training	20,059	26,000	20,000	6,000	23%
BOG Meetings	152,910	146,665	205,000	(58,335)	-40%
BOG Committees' Expenses	538	501	7,000	(6,499)	-1297%
BOG Retreat	20,787	15,042	50,000	(34,958)	-232%
BOG Conference Attendance	596	57,400	43,000	14,400	25%
BOG Travel & Outreach	3,914	30,000	10,000	20,000	67%
BOG Elections	29,134	26,000	26,900	(900)	-3%
Member Outreach/town Mtgs		17,772		17,772	100%
President's Dinner		10,000	10,000	-	0%
TOTAL DIRECT EXPENSES:	227,938	329,380	371,900	(42,520)	-13%
INDIRECT EXPENSES:					
Salaries - Salaries	123,759	103,894	111,674	(7,780)	-7%
Salaries - Vacation & Comp Time Accruals	293	370		370	100%
Indirect Allocation In - Salaries		481	597	(116)	-24%
Benefits	40,631	34,464	36,105	(1,642)	-5%
OTHER INDIRECT EXPENSE	46,117	41,476	45,421	(3,945)	-10%
TOTAL INDIRECT EXPENSES:	210,800	180,684	193,797	(13,113)	-7%
TOTAL ALL EXPENSES:	438,738	510,064	565,697	(55,633)	-11%
NET INCOME (LOSS):	(438,738)	(510,064)	(565,697)	(55,633)	-11%
FTEs		1.40	1.40		

**Washington State Bar Association
FY22 Reforecast and FY23 v2 Budget Comparison**

FOUND-Foundation

	FY21 Actuals	FY22 Reforecast	FY23 Budget v2	FY23 Budget v2 vs Reforecast FY22 F/(U)	% of change F/(U)
REVENUE:					
DIRECT EXPENSES:					
Consulting Services	3,000	3,000	3,000	-	0%
Postage	111	300	300	-	0%
Printing & Copying		450	450	-	0%
Staff Travel/Parking		600	700	(100)	-17%
Staff Training			300	(300)	-100%
Supplies		150	150	-	0%
Special Events	50	-	-	-	-100%
Board of Trustees	181	1,590	750	840	53%
TOTAL DIRECT EXPENSES:	3,342	6,090	5,650	440	7%
INDIRECT EXPENSES:					
Salaries - Salaries	77,250	81,019	95,912	(14,893)	-18%
Salaries - Vacation & Comp Tin	193	292		292	100%
Indirect Allocation In - Salaries		344	448	(104)	-30%
Benefits	15,610	15,111	18,295	(3,184)	-21%
OTHER INDIRECT EXPENSE	26,509	29,576	34,066	(4,490)	-15%
TOTAL INDIRECT EXPENSES:	119,562	126,340	148,720	(22,380)	-18%
TOTAL ALL EXPENSES:	122,904	132,430	154,370	(21,940)	-17%
NET INCOME (LOSS):	(122,904)	(132,430)	(154,370)	(21,940)	-17%
FTEs		1.00	1.05		

**Washington State Bar Association
FY22 Reforecast and FY23 v2 Budget Comparison**

OED-Office of Executive Director

	FY21 Actuals	FY22 Reforecast	FY23 Budget v2	FY23 Budget v2 vs Reforecast FY22 F/(U)	% of change F/(U)
REVENUE:					
DIRECT EXPENSES:					
Staff Travel/Parking	53	1,351	1,500	(149)	-11%
Staff Training		4,383	8,925	(4,542)	-104%
Staff Membership Dues	67	786	1,000	(214)	-27%
Surveys			350	(350)	-100%
Leadership Training		20,000	20,000	-	0%
ABA Delegates	2,474	-	-	-	-100%
Volunteer Support	1,969	-	-	-	-100%
Washington Leadership Institute	46,958	44,764	80,000	(35,236)	-79%
Bar Leaders Conference			12,000	(12,000)	-100%
ED Travel & Outreach	36	5,601	5,000	601	11%
Law Library	133	46	-	46	100%
TOTAL DIRECT EXPENSES:	51,690	76,932	128,775	(51,843)	-67%
INDIRECT EXPENSES:					
Salaries - Salaries	416,692	365,578	401,526	(35,948)	-10%
Salaries - Vacation & Comp Time Acc	(22)	396		396	100%
Indirect Allocation In - Salaries		687	853	(166)	-24%
Benefits	128,202	93,186	104,265	(11,079)	-12%
OTHER INDIRECT EXPENSE	79,162	59,267	64,887	(5,620)	-9%
TOTAL INDIRECT EXPENSES:	624,034	519,115	571,531	(52,416)	-10%
TOTAL ALL EXPENSES:	675,724	596,047	700,306	(104,259)	-17%
NET INCOME (LOSS):	(675,724)	(596,047)	(700,306)	(104,259)	-17%
FTEs		2.00	2.00		

**Washington State Bar Association
FY22 Reforecast and FY23 Budget v2 Comparison**

VE-Volunteer Engagement

	FY21 Actuals	FY22 Reforecast	FY23 Budget v2	FY23 Budget v2 vs Reforecast FY22 F/(U)	% of change F/(U)
REVENUE:					
DIRECT EXPENSES:					
Staff Training		2,500	2,500	-	0%
Staff Membership Dues		350	350	-	0%
ABA Delegates		4,800	15,000	(10,200)	-213%
Volunteer Support		43,500	-	43,500	100%
TOTAL DIRECT EXPENSES:		51,150	17,850	33,300	65%
INDIRECT EXPENSES:					
Salaries - Salaries		56,768	59,159	(2,390)	-4%
Salaries - Vacation & Comp Time Accruals		211		211	100%
Indirect Allocation In - Salaries		206	256	(50)	-24%
Benefits		18,937	19,657	(720)	-4%
OTHER INDIRECT EXPENSE		17,675	19,466	(1,791)	-10%
TOTAL INDIRECT EXPENSES:		93,798	98,538	(4,740)	-5%
TOTAL ALL EXPENSES:		144,948	116,388	28,560	20%
NET INCOME (LOSS):		(144,948)	(116,388)	28,560	20%
FTEs		0.60	0.60		
Indirect Allocation In - Benefits		548	929		

**Washington State Bar Association
FY22 Reforecast and FY23 Budget v2 Comparison**

SC-Service Center

	FY21 Actuals	FY22 Reforecast	FY23 Budget v1	FY23 Budget v2 vs Reforecast FY22 F/(U)	% of change F/(U)
REVENUE:					
DIRECT EXPENSES:					
Staff Training & Conferences		2,100	2,100	-	0%
Translation Services	7,069	8,500	8,200	(300)	4%
TOTAL DIRECT EXPENSES:	7,069	10,600	10,300	300	3%
INDIRECT EXPENSES:					
Salaries - Salaries	339,800	353,954	381,255	(27,301)	-8%
Salaries - Vacation & Comp Time Accruals	1,357	1,255		1,255	100%
Indirect Allocation In - Salaries		1,962	2,435	(473)	-24%
Benefits	142,850	135,691	144,471	(8,779)	-6%
OTHER INDIRECT EXPENSE	177,207	169,061	185,252	(16,191)	-10%
TOTAL INDIRECT EXPENSES:	661,215	661,923	713,413	(51,489)	-8%
TOTAL ALL EXPENSES:	668,284	672,523	723,713	(51,189)	-8%
NET INCOME (LOSS):	(668,284)	(672,523)	(723,713)	(51,189)	-8%
FTEs		5.71	5.71		

**Washington State Bar Association
FY22 Reforecast and FY23 v2 Budget Comparison**

HR-Human Resources

	FY21 Actuals	FY22 Reforecast	FY23 Budget v2	FY23 Budget v2 vs Reforecast FY22 F/(U)	% of change F/(U)
REVENUE:					
DIRECT EXPENSES:					
Consulting Services	98,448	15,000	2,000	13,000	87%
Staff Travel/Parking	50	1,000	700	300	30%
Staff Membership Dues		1,000	800	200	20%
Subscriptions	610	2,500	500	2,000	80%
Conference Calls	13	20		20	100%
Organizational Training	1,524	20,000	15,000	5,000	25%
Recruiting and Advertising	17,965	5,000	6,600	(1,600)	-32%
Payroll Processing	44,991	52,538	50,000	2,538	5%
Salary Surveys		2,000	1,500	500	25%
Transfer to Indirect Expense	(163,602)	(99,058)	(77,100)	(21,958)	22%
INDIRECT EXPENSES:					
Salaries - Salaries	151,980	274,933	301,508	(26,575)	-10%
Salaries - Staff Replacement Tem	148,551			-	-100%
Salaries - Vacation & Comp Time	951	1,005	-	1,005	100%
Indirect Allocation In - Salaries		1,031	1,280	(249)	-24%
Benefits	90,406	98,910	96,043	2,867	3%
OTHER INDIRECT EXPENSE	79,162	84,067	97,590	(13,523)	-16%
TOTAL INDIRECT EXPENSES:	471,049	459,945	496,420	(36,475)	-8%
TOTAL ALL EXPENSES:	471,049	459,945	496,420	(36,475)	-8%
NET INCOME (LOSS):	(471,049)	(459,945)	(496,420)	(36,475)	-8%

FTEs 3.00 3.00

Allowance for Open Positions	(200,000)
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NET INCOME (LOSS): **(296,419.90)**

Washington State Bar Association
FY22 Reforecast and FY23 v2 Budget Comparison

TECH-Technology

	FY21 Actuals	FY22 Reforecast	FY23 Budget v2	FY23 Budget v2 vs Reforecast FY22 F/(U)	% of change F/(U)
REVENUE:					
DIRECT EXPENSES:					
Consulting Services	86,417	110,000	110,000	-	0%
Staff Travel/Parking	154	2,000	2,000	-	0%
Staff Training & Conferences		10,000	10,000	-	0%
Staff Membership Dues		450	450	-	0%
Telephone	20,548	85,000	95,000	(10,000)	-12%
Computer Hardware	62,233	65,000	65,000	-	0%
Computer Software	66,643	200,000	310,000	(110,000)	-55%
Hardware Service & Warranties	38,632	55,000	60,000	(5,000)	-9%
Software Maint & Licensing	319,212	380,000	380,000	-	0%
Telephone Hardware & Maint	2,003	-	-	-	-100%
Computer Supplies	2,673	5,000	2,000	3,000	60%
Third Party Services	102,280	30,000	40,000	(10,000)	-33%
Transfer to Indirect Expenses	(700,797)	(935,950)	(1,074,450)	(138,500)	-15%
TOTAL DIRECT EXPENSES:	-	6,500	-	6,500	1
	-	6,500	-		
INDIRECT EXPENSES:					
Salaries - Salaries	1,023,445	1,251,020	1,418,872	(167,851)	-13%
Salaries - Budgeted Temporary Employees	22,848	132,100	10,000	122,100	92%
Salaries - Staff Replacement Temps	5,001	30,250		30,250	100%
Salaries - Vacation & Comp Time Accruals	1,964	4,477		4,477	100%
Indirect Allocation In - Salaries		4,334	5,545	(1,211)	-28%
Benefits	360,253	386,935	439,894	(52,959)	-14%
Capital Labor & Overhead	20,420	(285,000)	(280,000)	(5,000)	-2%
OTHER INDIRECT EXPENSE		248,000	421,764		
TOTAL INDIRECT EXPENSES:	1,751,307	1,772,117	2,016,075	(243,958)	-14%
TOTAL ALL EXPENSES:	1,751,307	1,886,393	2,016,075	(129,682)	-7%
NET INCOME (LOSS):	(1,751,307)	(1,886,393)	(2,016,075)	(129,682)	-7%
FTEs		13.00	13.00		

**Washington State Bar Association
FY22 Reforecast and FY23 v2 Budget Comparison**

OGC-Office of General Counsel

	FY21 Actuals	FY22 Reforecast	FY23 Budget v2	FY23 Budget v2 vs Reforecast FY22 F/(U)	% of change F/(U)
REVENUE:					
Copy Fees	117			-	-100%
Records Request Fees	630	3	963	960	30471%
TOTAL REVENUE	747	3	963	960	30471%
DIRECT EXPENSES:					
Staff Travel/Parking		741	500	241	32%
Staff Training & Conferences		5,495	6,400	(905)	-16%
Staff Membership Dues	525	254	1,150	(896)	-352%
Litigation Expenses		200	200	-	0%
Online Legal Research	11,033	10,400		10,400	100%
Law Library	1,958	2,731		2,731	100%
Court Rules Committee	56	100	1,000	(900)	-900%
Wills			2,000	(2,000)	-100%
Custodianship	10,094	8,150	8,150	0	0%
TOTAL DIRECT EXPENSES:	23,666	28,071	19,400	8,671	31%
INDIRECT EXPENSES:					
Salaries - Salaries	520,260	598,187	654,203	(56,016)	-9%
Salaries - Vacation & Comp Time Accru	573	1,729		1,729	100%
Indirect Allocation In - Salaries		1,981	2,634		
Benefits	169,636	175,968	188,816	(12,848)	-7%
OTHER INDIRECT EXPENSE	168,492	173,376	200,175	(28,960)	-17%
TOTAL INDIRECT EXPENSES:	858,961	951,241	1,045,828	(96,748)	-10%
TOTAL ALL EXPENSES:	882,627	979,313	1,065,228	(88,076)	-9%
NET INCOME (LOSS):	(881,880)	(979,310)	(1,064,265)	(87,116)	-9%
FTEs		5.77	6.17		

**Washington State Bar Association
FY22 Reforecast and FY23 v2 Budget Comparison**

OGCDB-Office of General Counsel Disciplinary Board

	FY21 Actuals	FY22 Reforecast	FY23 Budget v2	FY23 Budget v2 vs Reforecast FY22 F/(U)	% of change F/(U)
REVENUE:					
DIRECT EXPENSES:					
Staff Training & Conferences		1,000		(1,000)	100%
Staff Membership Dues	21	100	100	-	0%
Law Library	802	912		912	100%
Disciplinary Board Expenses	485	4,118	4,000	118	3%
Chief Hearing Officer	30,000	33,000	30,000	3,000	9%
Hearing Officer Expenses		33,814	17,500	16,314	48%
Hearing Officer Training		647	400	247	38%
Outside Counsel	48,000	55,000	60,000	(5,000)	-9%
TOTAL DIRECT EXPENSES:	79,308	128,591	112,000	16,591	13%
INDIRECT EXPENSES:					
Salaries - Salaries	95,888	107,542	133,193	(25,650)	-24%
Salaries - Vacation & Comp Tim	160	322		322	100%
Indirect Allocation In - Salaries		447	597	(150)	-34%
Benefits	31,556	33,105	40,026	(6,921)	-21%
OTHER INDIRECT EXPENSE	34,497	38,530	45,421	(6,891)	-18%
TOTAL INDIRECT EXPENSES:	162,102	179,945	219,236	(39,292)	-22%
TOTAL ALL EXPENSES:	241,410	308,536	331,236	(22,701)	-7%
NET INCOME (LOSS):	(241,410)	(308,536)	(331,236)	(22,701)	-7%
FTEs		1.30	1.40		

**Washington State Bar Association
FY22 Reforecast and FY23 v2 Budget Comparison**

PLB-Practice Law Board

	FY21 Actuals	FY22 Reforecast	FY23 Budget v2	FY23 Budget v2 vs Reforecast FY22 F/(U)	% of change F/(U)
REVENUE:					
DIRECT EXPENSES:					
Practice of Law Board		12,000	12,000	-	0%
TOTAL DIRECT EXPENSES:		12,000	12,000	-	0%
INDIRECT EXPENSES:					
Salaries - Salaries	44,923	43,201	35,773	7,429	17%
Vacation & Comp Time Accruals	(344)	70		70	100%
Indirect Allocation In - Salaries		137	192	(54)	-40%
Benefits	9,066	11,371	13,465	(2,094)	-18%
OTHER INDIRECT EXPENSE	3,994	12,482	14,600	(2,157)	-17%
TOTAL INDIRECT EXPENSES:	57,639	67,261	64,030	3,194	5%
TOTAL ALL EXPENSES:	57,639	79,261	76,030	3,194	4%
NET INCOME (LOSS):	(57,639)	(79,261)	(76,030)	3,194	4%
FTEs		0.40	0.45		

**Washington State Bar Association
FY22 Reforecast and FY23 Budget v2 Comparison**

CPF-Client Protection Fund

	FY21 Actuals	FY22 Reforecast	FY23 Budget v2	FY23 Budget v2 vs Reforecast FY22 F/(U)	% of change F/(U)
REVENUE:					
Donations & Grants				-	-100%
Interest - Investments	4,890	5,816		(5,816)	-100%
CPF Restitution	137,971	30,000	40,000	10,000	33%
CPF Member Assessments	363,280	792,503	690,000	(102,503)	-13%
TOTAL REVENUE	506,141	828,319	730,000	(98,319)	-12%
DIRECT EXPENSES:					
Bank Fees	2,011	2,067	2,100	(33)	-2%
AMEX Card Merchant Fees				-	-100%
Credit Card Merchant Fees				-	-100%
Staff Membership Dues	200	200	200	-	0%
Gifts to injured Clients	499,637	500,000	500,000	-	0%
CPF Board	61	1,500		1,500	100%
TOTAL DIRECT EXPENSES:	501,909	503,767	502,300	1,467	0%
INDIRECT EXPENSES:					
Salaries	85,357	95,800	104,797	(8,997)	-9%
Benefits	33,441	35,058	37,207	(2,150)	-6%
OTHER INDIRECT EXPENSE	32,318	36,456	39,905	(3,450)	-9%
TOTAL INDIRECT EXPENSES:	151,116	167,313	181,910	(14,597)	-9%
TOTAL ALL EXPENSES:	653,025	671,081	684,210	(13,129)	-2%
NET INCOME (LOSS):	(146,884)	157,238	45,790	(111,448)	71%
FTEs		1.23	1.23	1.23	

**Washington State Bar Association
FY22 Reforecast and FY23 Budget v2 Comparison**

BN-Bar News

	FY21 Actuals	FY22 Reforecast	FY23 Budget v2	FY23 Budget v2 vs Reforecast FY22 F/(U)	% of change F/(U)
REVENUE:					
Royalties	5,064	2,500		(2,500)	-100%
BNews Display Advertising	353,462	400,000	400,000	-	0%
BNews Subscript/Single Issues	72	200	200	-	0%
BNews Classified Advertising	2,586	2,500	2,500	-	0%
BNews Gen Announcements	5,687	14,000	-	(14,000)	-100%
BNews Prof Announcements	18,637	22,500	-	(22,500)	-100%
Job Target Advertising	197,604	180,000	200,000	20,000	11%
TOTAL REVENUE	583,112	621,700	602,700	(19,000)	-3%
DIRECT EXPENSES:					
Postage	95,962	100,000	110,000	(10,000)	-10%
Printing & Copying	222,285	260,000	250,000	10,000	4%
Staff Training & Conferences		350	2,000	(1,650)	-471%
Staff Membership Dues		135	135	-	0%
Subscriptions		185	225	(40)	-22%
Digital/Online Development	11,114	16,200	1,000	15,200	94%
Graphics/Artwork		200	100	100	50%
Outside Sales Expense	62,014	1,730	-	1,730	100%
TOTAL DIRECT EXPENSES:	391,375	378,800	363,460	15,340	4%
INDIRECT EXPENSES:					
Salaries - Salaries	201,475	200,924	208,445	(7,521)	-4%
Salaries - Vacation & Comp Time Accrual	502	710		710	100%
Indirect Allocation In - Salaries		777	951	(175)	-22%
Benefits	60,225	53,718	54,103	(385)	-1%
OTHER INDIRECT EXPENSE	74,805	71,093	72,349	(1,255)	-2%
TOTAL INDIRECT EXPENSES:	337,006	327,222	335,848	(8,626)	-3%
TOTAL ALL EXPENSES:	728,381	706,022	699,308	6,714	1%
NET INCOME (LOSS):	(145,269)	(84,322)	(96,608)	(12,286)	-15%
FTEs		2.26	2.23		

**Washington State Bar Association
FY22 Reforecast and FY23 Budget v2 Comparison**

COMM-Communication Strategies

	FY21 Actuals	FY22 Reforecast	FY23 Budget v2	FY23 Budget v2 vs Reforecast FY22 F/(U)	% of change F/(U)
REVENUE:					
Sponsorships		1,000	1,000	-	0%
WSBA Logo Merchandise Sales	2,308	113	2,500	2,387	2108%
50 Year Member Tribute Lunch	500	-	-	-	100%
TOTAL REVENUE	2,808	1,113	3,500	2,387	214%
DIRECT EXPENSES:					
Staff Travel/Parking	3,255	3,395	3,395	-	0%
Staff Training & Conferences			7,500	(7,500)	-100%
Staff Membership Dues	515	1,028	1,120	(92)	-9%
Subscriptions	3,441	3,635	4,000	(365)	-10%
Digital/Online Development	545	409		409	100%
Telephone	932	1,056		1,056	100%
Conference Calls		101		101	100%
Miscellaneous	260	-	-	-	-100%
APEX Award Expenses	38,367	43,416	47,000	(3,584)	-8%
50 Year Member Tribute Lunch	10,438	23,007	20,000	3,007	13%
Communications Outreach	12,258	10,680	15,000	(4,320)	-40%
Bar Outreach		11,681	18,000	6,319	-54%
					Doesn't include NBRI that is in BOG Outreach
TOTAL DIRECT EXPENSES:	70,011	98,408	116,015	(17,607)	-18%
INDIRECT EXPENSES:					
Salaries - Salaries	257,729	353,355	385,394	(32,039)	-9%
Salaries - Vacation & Comp Time ^A	677	1,340		1,340	100%
Indirect Allocation In - Salaries		1,777	2,218	(441)	-25%
Benefits	80,768	115,908	126,285	(10,377)	-9%
OTHER INDIRECT EXPENSE	100,224	153,013	168,706	(15,692)	-10%
TOTAL INDIRECT EXPENSES:	439,397	625,393	682,603	(57,210)	-9%
TOTAL ALL EXPENSES:	509,408	723,801	798,618	(74,817)	-10%
NET INCOME (LOSS):	(506,600)	(722,688)	(795,118)	(72,430)	-10%
FTEs		5.17	5.20		

**Washington State Bar Association
FY22 Reforecast and FY23 Budget v2 Comparison**

COMM FTE-Dept headcount allocation

	FY21 Actuals	FY22 Reforecast	FY23 Budget v2	FY23 Budget v2 vs Reforecast FY22 F/(U)	% of change F/(U)
REVENUE:					
DIRECT EXPENSES:					
INDIRECT EXPENSES:					
Salaries	149,479	154,951	167,787	(12,836)	-8%
Vacation & Comp Time Accrued	(504)			-	-100%
Indirect Allocation In - Salaries		344	427	(83)	-24%
Benefits	41,793	40,656	44,241	(3,584)	-9%
OTHER INDIRECT EXPENSE	26,508	29,575	32,443	(2,868)	-10%
TOTAL INDIRECT EXPENSES:	217,277	225,526	244,897	(19,371)	-9%
TOTAL ALL EXPENSES:	217,277	225,526	244,897	(19,371)	-9%
NET INCOME (LOSS):	(217,277)	(225,526)	(244,897)	(19,371)	-9%
FTEs		1.00	1.00		

**Washington State Bar Association
FY22 Reforecast and FY23 Budget v2 Comparison**

DESK-Deskbooks

	FY21 Actuals	FY22 Reforecast	FY23 Budget v2	FY23 Budget v2 vs Reforecast FY22 F/(U)	% of change F/(U)
REVENUE:					
Shipping & Handling	2,122	-	-	-	-100%
Deskbook Sales	100,363	82,000	150,000	68,000	83%
Section Publication Sales	9,890	6,000	6,000	-	0%
Lexis/Nexis Royalties	9,396	31,600	35,000	3,400	11%
Casemaker Royalties	56,379	45,000	50,000	5,000	11%
TOTAL REVENUE	178,150	164,600	241,000	76,400	46%
DIRECT EXPENSES:					
Records Storage - Off Site	11,500	-	-	-	-100%
Staff Training & Conferences		350	1,000	(650)	-186%
Staff Membership Dues	30	220	225	(5)	-2%
Subscriptions	185	-	-	-	-100%
Miscellaneous		-	-	-	-100%
Cost of Sales - Deskbooks	67,685	64,000	65,000	(1,000)	-2%
Cost of Sales - Section Public	4,008	1,560	1,500	60	4%
Obsolete Inventory	33,073	-	-	-	-100%
Splits to Sections	4,026	500	300	200	40%
Deskbook Royalties	199	200	300	(100)	-50%
Postage & Delivery-Deskbooks	3,167	-	-	-	-100%
Fliers/Catalogs	2,507	-	-	-	-100%
Postage - Fliers/Catalogs	936	-	-	-	-100%
Complimentary Book Program		-	-	-	-100%
Online Legal Research	1,839	1,895	-	1,895	100%
TOTAL DIRECT EXPENSES:	129,156	68,725	68,325	400	1%
INDIRECT EXPENSES:					
Salaries - Salaries	126640.22	126,028	131,647	(5,619)	-4%
Salaries - Vacation & Comp Time A	313.79	420		420	100%
Indirect Allocation In - Salaries		515	640	(124)	-24%
Benefits	43630.03	40,014	41,948	(1,934)	-5%
OTHER INDIRECT EXPENSE	40307.31	44,421	48,665	(4,244)	-10%
TOTAL INDIRECT EXPENSES:	210891.35	211,400	222,900	(11,500)	-5%
TOTAL ALL EXPENSES:	340047.03	280,125	291,225	(11,100)	-4%
NET INCOME (LOSS):	-161897.16	(115,525)	(50,225)	65,300	57%
FTEs		1.50	1.50		

**Washington State Bar Association
FY22 Reforecast and FY23 Budget v2 Comparison**

LEG-Legislative

	FY21 Actuals	FY22 Reforecast	FY23 Budget v2	FY23 Budget v2 vs Reforecast FY22 F/(U)	% of change F/(U)
REVENUE:					
DIRECT EXPENSES:					
Staff Travel/Parking	377	3,133	3,133	0	0%
Staff Training & Conferences		2,000	2,400	(400)	-20%
Staff Membership Dues	40	450	450	-	0%
Subscriptions	1,982	2,000	2,000	-	0%
Jud Recommend Committee		4,500	2,250	2,250	50%
Contract Lobbyist	26,000	10,000	15,000	(5,000)	-50%
Legislative Committee	10	2,500	1,250	1,250	50%
BOG Legislative Committee		300	300	-	0%
TOTAL DIRECT EXPENSES:	28,408	24,883	26,783	(1,900)	-8%
INDIRECT EXPENSES:					
Salaries	79,017	132,334	146,591	(14,257)	-11%
Vacation & Comp Time Accrual	139	513		513	100%
Indirect Allocation In - Salaries		584	725	(141)	-24%
Benefits	28,063	44,484	42,758	1,726	4%
OTHER INDIRECT EXPENSE	26,509	50,313	55,154	(4,841)	-10%
TOTAL INDIRECT EXPENSES:	133,728	228,227	245,227	(17,000)	-7%
TOTAL ALL EXPENSES:	162,136	253,110	272,010	(18,900)	-7%
NET INCOME (LOSS):	(162,136)	(253,110)	(272,010)	(18,900)	-7%
FTEs		1.70	1.70		

**Washington State Bar Association
FY22 Reforecast and FY23 Budget v2 Comparison**

PUB-Publication and Design Services

	FY21 Actuals	FY22 Reforecast	FY23 Budget v2	FY23 Budget v2 vs Reforecast FY22 F/(U)	% of change F/(U)
REVENUE:					
DIRECT EXPENSES:					
Staff Training			350	(350)	-100%
Subscriptions	200	200	162	38	19%
Image Library	4,100	4,100	4,100	-	0%
TOTAL DIRECT EXPENSES:	4,300	4,300	4,612	(312)	-7%
INDIRECT EXPENSES:					
Salaries - Salaries	54,659	63,530	71,763	(8,233)	-13%
Salaries - Vacation & Comp Time Accr	136	212		212	100%
Indirect Allocation In - Salaries		306	380	(74)	-24%
Benefits	18,432	18,693	19,491	(798)	-4%
OTHER INDIRECT EXPENSE	22,877	26,300	28,875	(2,575)	-10%
TOTAL INDIRECT EXPENSES:	96,104	109,040	120,508	(11,468)	-11%
TOTAL ALL EXPENSES:	100,404	113,340	125,120	(11,780)	-10%
NET INCOME (LOSS):	(100,404)	(113,340)	(125,120)	(11,780)	-10%
FTEs		0.89	0.89		

**Washington State Bar Association
FY22 Reforecast and FY23 Budget v2 Comparison**

ATJ-Access to Justice

	FY21 Actuals	FY22 Reforecast	FY23 Budget v2	FY23 Budget v2 vs Reforecast FY22 F/(U)	% of change F/(U)
REVENUE:					
DIRECT EXPENSES:					
Staff Travel/Parking		2,700	3,000	(300)	-11%
Staff Training & Conferences		2,875	1,675	1,200	42%
Surveys		100	100	-	0%
ATJ Board Retreat	1,200	2,000	2,000	-	0%
Leadership Training	973	2,000	2,000	-	0%
ATJ Board Expense	11,906	24,000	78,400	(54,400)	-227%
Public Defense	4,000	6,000	4,000	2,000	33%
Conference/Institute Expense	18,020		23,145	(23,145)	-100%
Reception/Forum Expense	9,500	9,500	7,500	2,000	21%
TOTAL DIRECT EXPENSES:	45,600	49,175	121,820	(72,645)	#####
INDIRECT EXPENSES:					
Salaries - Salaries	124,152	82,782	137,440	(54,658)	-66%
51122 Staff Replacement Temp:	6,334			-	-100%
Salaries - Vacation & Comp Time	274	323		323	100%
Indirect Allocation In - Salaries		407	699	(293)	-72%
Benefits	43,167	32,843	48,192	(15,349)	-47%
OTHER INDIRECT EXPENSE	42,123	35,839	53,207	(17,368)	-48%
TOTAL INDIRECT EXPENSES:	216,050	152,194	239,538	(87,344)	-57%
TOTAL ALL EXPENSES:	261,650	201,369	361,358	(159,989)	-79%
NET INCOME (LOSS):	(261,650)	(201,369)	(361,358)	(159,989)	-79%
FTEs		1.30	1.64		

Washington State Bar Association
 FY22 Reforecast and FY23 Budget v2 Comparison

DIV-Diversity

	FY21 Actuals	FY22 Reforecast	FY23 Budget v2	FY23 Budget v2 vs Reforecast FY22 F/(U)	% of change F/(U)	
REVENUE:						
Donations & Grants	135,000	135,000	135,000	-	0%	Estimated gift from WSBF
TOTAL REVENUE	135,000	135,000	135,000	-	0%	
DIRECT EXPENSES:						
Consulting Services		71,175	54,625	16,550	-23%	
Staff Travel/Parking		4,000	2,000	2,000	50%	
Staff Training & Conferences		5,400	5,000	400	7%	
Staff Membership Dues		45	360	(315)	-700%	
Surveys		50,100	16,500	33,600	67%	
Committee for Diversity	454	6,000	3,800	2,200	37%	
Diversity Events & Projects	2,621	18,000	39,250	(21,250)	-118%	New Diversity and Inclusion Plan Implementation - Outside Consultant Fees/Expenses (\$22,250 for plan and \$18k is for normal diversity events/projects)
TOTAL DIRECT EXPENSES:	3,076	154,720	121,535	33,185	21%	
INDIRECT EXPENSES:						
Salaries - Salaries	152,584	157,400	221,560	(64,160)	-41%	
Salaries - Staff Replacement Temps	11,733			-	-100%	
Salaries - Vacation & Comp Time Accrn	532	610		610	100%	
Indirect Allocation In - Salaries		771	1,147	(376)	-49%	
Benefits	60,869	51,456	67,741	(16,286)	-32%	
OTHER INDIRECT EXPENSE	65,000	67,463	87,273	(19,809)	-29%	
TOTAL INDIRECT EXPENSES:	290,717	277,700	377,721	(100,021)	-36%	
TOTAL ALL EXPENSES:	293,793	432,420	499,256	(66,836)	-15%	
NET INCOME (LOSS):	(158,793)	(297,420)	(364,256)	(66,836)	-22%	
FTEs		2.40	2.69			

Washington State Bar Association
 FY22 Reforecast and FY23 Budget v2 Comparison

PSP-Public Service Programs

	FY21 Actuals	FY22 Reforecast	FY23 Budget v2	FY23 Budget v2 vs Reforecast FY22 F/(U)	% of change F/(U)	
REVENUE:						
Donations & Grants	103,000	130,000	130,000	-	0%	
TOTAL REVENUE	103,000	130,000	130,000	-	0%	
DIRECT EXPENSES:						
Donations/Sponsorships/Grants	231,693	250,280	260,828	(10,548)	4%	Apply 7597 refund to prepaid account to credit back in FY23
Staff Travel/Parking		2,700	1,500	1,200	44%	
Staff Training & Conferences		1,200	1,000	200	17%	
Surveys		100	100	-	0%	
Pro Bono & Legal Aid Committee	224	2,000	1,500	500	25%	
Pro Bono Certificates		2,000	2,000	-	0%	
TOTAL DIRECT EXPENSES:	231,917	258,280	266,928	(8,648)	-3%	
INDIRECT EXPENSES:						
Salaries - Salaries	73,263	72,910	127,897	(54,987)	-75%	
Salaries - Staff Replacement Temps	8,273			-	-100%	
Salaries - Vacation & Comp Time Accrual	110	274		274	100%	
Indirect Allocation In - Salaries		407	691	(284)	-70%	
Benefits	27,363	28,645	40,609	(11,964)	-42%	
OTHER INDIRECT EXPENSE	26,508	35,839	52,558	(16,719)	-47%	
TOTAL INDIRECT EXPENSES:	135,517	138,075	221,756	(83,681)	-61%	
TOTAL ALL EXPENSES:	367,434	396,355	488,684	(92,329)	-23%	
NET INCOME (LOSS):	(264,434)	(266,355)	(358,684)	(92,329)	-35%	
FTEs		1.30	1.62			

**Washington State Bar Association
FY22 Reforecast and FY23 Budget v2 Comparison**

ADV FTE-Dept headcount allocation

	FY21 Actuals	FY22 Reforecast	FY23 Budget v2	FY23 Budget v2 vs Reforecast FY22 F/(U)	% of change F/(U)
REVENUE:					
DIRECT EXPENSES:					
Staff Conferences & Training		4,267	8,100	3,833	-90%
TOTAL DIRECT EXPENSES:		4,267	8,100	(3,833)	-90%
INDIRECT EXPENSES:					
Salaries - Salaries	158,331	223,143	232,975	(9,832)	-4%
Salaries - Vacation & Comp Time Accru	(117)	361		361	100%
Indirect Allocation In - Salaries		651	802	(151)	-23%
Benefits	40,797	61,974	62,511	(537)	-1%
OTHER INDIRECT EXPENSE	30,503	56,099	60,994	(4,895)	-9%
TOTAL INDIRECT EXPENSES:	229,514	342,229	357,281	(15,053)	-4%
TOTAL ALL EXPENSES:	229,514	346,495	365,381	(18,886)	-5%
NET INCOME (LOSS):	(229,514)	(346,495)	(365,381)	(18,886)	-5%
FTEs		1.90	1.88		

**Washington State Bar Association
FY22 Reforecast and FY23 Budget v2 Comparison**

CLEP-CLE-Products

	FY21 Actuals	FY22 Reforecast	FY23 Budget v2	FY23 Budget v2 vs Reforecast FY22 F/(U)	% of change F/(U)
REVENUE:					
Royalties				-	-100%
Shipping & Handling	281	81	100	19	23%
Deskbook Sales				-	-100%
Coursebook Sales	3,437	5,717	7,000	1,283	22%
Audio Tape Sales				-	-100%
MP3 Sales	95,032	179,620	-	(179,620)	-100%
Digital Video Sales	530,288	1,074,663	910,000	(164,663)	-15%
Section Publication Sales				-	-100%
LOIS Royalties				-	-100%
Casemaker Royalties				-	-100%
TOTAL REVENUE	629,038	1,260,081	917,100	(342,981)	-27%
DIRECT EXPENSES:					
Bad Debt Expense	(494)			-	
AMEX Card Merchant Fees				-	100%
Credit Card Merchant Fees				-	100%
Records Storage - Off Site				-	-100%
Staff Travel/Parking				-	-100%
Staff Training & Conferences		200	300	100	-50%
Staff Membership Dues	573	197	200	(3)	-2%
Transcription Services	270	-	-	-	-100%
Miscellaneous				-	-100%
Disability AccommodationS		667	2,000	(1,333)	-200%
Cost of Sales - Deskbooks				-	-100%
Cost of Sales - Coursebooks	234	1,054	690	364	35%
Cost of Sales - Section Public				-	-100%
A/V Develop Costs (Recording)		2,000	1,250	750	38%
CLE-Equip-Depreciation	3,182	1,312	1,309	3	0%
Obsolete Inventory				-	-100%
Splits to Sections				-	-100%
Deskbook Royalties				-	-100%
Recorded Seminar Royalties				-	-100%
Online Expenses				-	-100%
Online Product Hosting Expenses	46,922	54,000	53,000	1,000	2%
Postage & Delivery-Deskbooks				-	-100%
Postage & Delivry-Coursebooks	294	58		58	100%
Fliers/Catalogs				-	-100%
Postage - Fliers/Catalogs				-	-100%
Complimentary Book Program				-	-100%
Postage - Fliers/Catalogs				-	-100%
TOTAL DIRECT EXPENSES:	50,981	59,487	58,749	738	1%
INDIRECT EXPENSES:					
Salaries - Salaries	92,400	86,662	93,213	(6,552)	-8%
51120 Budgeted Temporary Employees				-	-100%
Salaries - Vacation & Comp Time A	235	321		321	100%
Indirect Allocation In - Salaries		446	556	(110)	-25%
Benefits	36,463	33,620	36,718	(3,098)	-9%
OTHER INDIRECT EXPENSE	38,129	38,487	42,274	(3,787)	-10%
TOTAL INDIRECT EXPENSES:	167,227	159,536	172,761	(13,225)	-8%
TOTAL ALL EXPENSES:	218,208	219,023	231,510	(12,487)	-6%
NET INCOME (LOSS):	410,831	1,041,058	685,590	(355,468)	-34%

FTEs 1.30 1.30

**Washington State Bar Association
FY22 Reforecast and FY23 Budget v2 Comparison**

CLES-CLE-Seminars

	FY21 Actuals	FY22 Reforecast	FY23 Budget v2	FY23 Budget v2 vs Reforecast FY22 F/(U)	% of change F/(U)
REVENUE:					
Seminar Registrations	819,545	790,000	850,000	60,000	8%
Seminar Revenue-Other	61,654	5,000	20,000	15,000	300%
Seminar Splits w/CLE	(101,660)		(133,375)	(133,375)	-100%
Conference Center Rental				-	-100%
TOTAL REVENUE	779,539	795,000	736,625	(58,375)	-7%

DIRECT EXPENSES:

Bad Debt Expense				-	-100%
AMEX Card Merchant Fees				-	-100%
Credit Card Merchant Fees				-	-100%
Staff Travel/Parking	73	10,096	15,000	(4,904)	-49%
Staff Training & Conferences		467	2,370	(1,903)	-408%
Staff Membership Dues	763	274	1,500	(1,226)	-447%
Subscriptions	334			-	-100%
Transcription Services	2,667			-	-100%
Supplies				-	-100%
Surveys				-	-100%
Conference Calls				-	-100%
Disability AccommodationS		667	2,000	(1,333)	-200%
Online Expenses				-	-100%
Seminar Online Delivery Expenses				-	-100%
Coursebook Production			1,000	(1,000)	-100%
Postage - Fliers/Catalogs	-	-	5,000	(5,000)	-100%
Postage - Misc/Delivery				-	-100%
Accreditation Fees	2,756	3,000	3,000	-	0%
Advertising				-	-100%
Seminar Brochures		-	20,000	(20,000)	-100%
Facilities	40,420	83,200	165,200	(82,000)	-99%
CLE Conf Center-Rent				-	-100%
CLE Conf Center-Catering				-	-100%
CLE CONF Center-Other				-	-100%
Speakers & Program Develop	2,798	15,000	32,000	(17,000)	-113%
Splits to Sections	3,611	115,000	-	115,000	100%
Splits to Co-Sponsors				-	-100%
Honoraria	14,999	1,500	1,200	300	20%
CLE Seminar Committee		150	200	(50)	-33%
CLES-Equip-Depreciation				-	-100%
CLES - Loss/Gain on Assets				-	-100%
Conference Center Depreciation				-	-100%
Mini-CLE Expense		-	-	-	-
Seminar Expense - Sections		-	-	-	-
TOTAL DIRECT EXPENSES:	68,420	229,354	248,470	(19,116)	-8%

INDIRECT EXPENSES:

Salaries - Salaries	397,992	443,475	499,739	(56,264)	-13%
51120 Budgeted Temporary Employees				-	-100%
51121 Unanticipated Temps				-	-100%
51122 Staff Replacement Temps	24,892	20,913		20,913	100%
51126 Employee Placement Fees				-	-100%
Salaries - Vacation & Comp Time Accruals	1,460	1,720		1,720	100%
Indirect Allocation In - Salaries		2,254	2,913	(659)	-29%
Benefits	172,051	169,854	182,025	(12,171)	-7%
OTHER INDIRECT EXPENSE	184,107	196,388	221,588	(25,200)	-13%
TOTAL INDIRECT EXPENSES:	780,501	834,604	906,265	(71,661)	-9%

TOTAL ALL EXPENSES: **848,922** **1,063,958** **1,154,735** **(90,778)** **-9%**

NET INCOME (LOSS): **(69,383)** **(268,958)** **(418,110)** **(149,153)** **-55%**

FTEs

6.82

6.83

**Washington State Bar Association
FY22 Reforecast and FY23 Budget v2 Comparison**

MWP-Member Wellness Program

	FY21 Actuals	FY22 Reforecast	FY23 Budget v2	FY23 Budget v2 vs Reforecast FY22 F/(U)	% of change F/(U)
REVENUE:					
Diversion	11,301	7,292	7,500	208	3%
TOTAL REVENUE	11,301	7,292	7,500	208	3%
DIRECT EXPENSES:					
Staff Training		165	300	135	-82%
Staff Membership Dues	226	333	500	167	-50%
Subscriptions		300	1,200	900	-300%
WSBA Connects		8,777		(8,777)	100%
Prof Liab Insurance	825	4,467		(4,467)	100%
TOTAL DIRECT EXPENSES:	1,051	14,542	2,800	11,742	81%
INDIRECT EXPENSES:					
Salaries - Salaries	52,691	108,643	133,043	(24,400)	-22%
Salaries - Vacation & Comp Time Accruals	(382)	445		445	100%
Indirect Allocation In - Salaries		418	629	(212)	-51%
Benefits	30,182	47,287	55,246	(7,959)	-17%
OTHER INDIRECT EXPENSE	13,073	37,399	47,854	(10,455)	-28%
TOTAL INDIRECT EXPENSES:	95,563	194,191	236,772	(42,581)	-22%
TOTAL ALL EXPENSES:	96,614	208,733	239,572	(30,839)	-15%
NET INCOME (LOSS):	(85,313)	(201,441)	(232,072)	(30,631)	-15%
FTEs		1.48	1.48		

**Washington State Bar Association
FY22 Reforecast and FY23 Budget v2 Comparison**

PMA-Practice Management Assistance

	FY21 Actuals	FY22 Reforecast	FY23 Budget v2	FY23 Budget v2 vs Reforecast FY22 F/(U)	% of change F/(U)
REVENUE:					
Royalties		40,000	50,000	10,000	25%
TOTAL REVENUE		40,000	50,000	10,000	25%
DIRECT EXPENSES:					
Staff Training			250	250	100%
Staff Membership Dues		167	150	(17)	10%
Subscriptions		167	-	(167)	100%
Casemaker/FastCase		80,000	73,000	(7,000)	9%
TOTAL DIRECT EXPENSES:		80,333	73,400	6,933	9%
INDIRECT EXPENSES:					
Salaries		-	80,135	(80,135)	-100%
Benefits		-	23,499	(23,499)	-100%
OTHER INDIRECT EXPENSE		-	29,508	(29,508)	-100%
TOTAL INDIRECT EXPENSES:		-	133,143	(133,143)	-100%
TOTAL ALL EXPENSES:		80,333	206,543	(126,209)	-157%
NET INCOME (LOSS):		(40,333)	(156,543)	(116,209)	-288%
FTEs			0.95		

**Washington State Bar Association
FY22 Reforecast and FY23 Budget v2 Comparison**

PRP-Professional Responsibility Program

	FY21 Actuals	FY22 Reforecast	FY23 Budget v2	FY23 Budget v2 vs Reforecast FY22 F/(U)	% of change F/(U)
REVENUE:					
DIRECT EXPENSES:					
Staff Travel/Parking		2,333	750	1,583	68%
Staff Membership Dues	500	161	500	(339)	-211%
Law Library	537	610	-	610	100%
CPE Committee	60	3,723	1,000	2,723	73%
TOTAL DIRECT EXPENSES:	1,096	6,827	2,250	4,577	67%
INDIRECT EXPENSES:					
Salaries - Salaries	172,468	170,521	91,358	79,164	46%
Salaries - Vacation & Comp Time A	270	600		600	100%
Indirect Allocation In - Salaries		483	309	174	36%
Benefits	63,812	58,822	37,219	21,602	37%
OTHER INDIRECT EXPENSE	44,665	43,211	23,521	19,690	46%
TOTAL INDIRECT EXPENSES:	281,215	273,637	152,407	121,230	44%
TOTAL ALL EXPENSES:	282,311	280,465	154,657	125,807	45%
NET INCOME (LOSS):	(282,311)	(280,465)	(154,657)	125,807	45%
FTEs		1.41	0.73		

Washington State Bar Association
FY22 Reforecast and FY23 Budget v2 Comparison

MSE-Member Services and Engagement

	FY21 Actuals	FY22 Reforecast	FY23 Budget v2	FY23 Budget v2 vs Reforecast FY22 F/(U)	% of change F/(U)	
REVENUE:						
Royalties	68,276	20,000	10,800	(9,200)	-46%	moved most to PMA cost center
NMP Product Sales	30,476	-	-	-	-100%	moved to NME cost center
Sponsorships			1,000	1,000	100%	
Seminar Registrations	25		-	-	-100%	
TOTAL REVENUE	98,777	20,000	11,800	(8,200)	-41%	
DIRECT EXPENSES:						
Printing & Copying			1,200	(1,200)	100%	
YLL Section Program	800	1,500	1,500	-	0%	
CLE Comps		-	1,000	(1,000)	-100%	
Staff Travel/Parking	1,037	1,000	1,700	(700)	-70%	
Staff Training & Conferences		400	250	150	38%	
Staff Membership Dues	225	850	850	-	0%	
Subscriptions	191	-	-	-	-100%	
Transcription Services	750	-	-	-	-100%	
Library Materials/Resources	186	2,000	4,000	(2,000)	-100%	
New Lawyer Outreach Events	397	1,500	1,500	-	0%	
New Lawyers Committee	3,716	7,500	12,000	(4,500)	-60%	
Open Sections Night			3,500	(3,500)	-100%	
Small Town & Rural Committee		2,000	3,000	(1,000)	-50%	
Reception/Forum Expense	67	1,500	3,000	(1,500)	-100%	
New Lawyer Outreach			1,000	(1,000)	-100%	
Scholarships/Donations/Grant	4,977	5,000	5,000	-	0%	
TOTAL DIRECT EXPENSES:	12,345	23,250	39,500	(16,250)	-70%	
INDIRECT EXPENSES:						
Salaries - Salaries	238,485	232,956	164,453	68,503	29%	
Salaries - Vacation & Comp Time Accru	620	866		866	100%	
Indirect Allocation In - Salaries		1,188	1,069	119	10%	
Benefits	90,144	79,024	59,907	19,118	24%	
OTHER INDIRECT EXPENSE	108,939	102,285	81,303	20,982	21%	
TOTAL INDIRECT EXPENSES:	438,188	416,320	306,732	109,588	26%	
TOTAL ALL EXPENSES:	450,534	439,570	346,232	93,338	21%	
NET INCOME (LOSS):	(351,757)	(419,570)	(334,432)	85,138	20%	
FTEs		3.46	2.51			

**Washington State Bar Association
FY22 Reforecast and FY23 Budget v2 Comparison**

MINI-Mini CLE

	FY21 Actuals	FY22 Reforecast	FY23 Budget v2	FY23 Budget vs Reforecast FY22 F/(U)	% of change F/(U)
REVENUE:					
DIRECT EXPENSES:					
INDIRECT EXPENSES:					
Salaries - Salaries		59,199	64,235	(5,036)	-9%
Salaries - Vacation & Comp Time Accruals		231		231	100%
Indirect Allocation In - Salaries		313	392	(80)	-25%
Benefits		20,010	19,399	610	3%
OTHER INDIRECT EXPENSE		26,959	29,848	(2,889)	-11%
TOTAL INDIRECT EXPENSES:		106,712	113,875	(7,163)	-7%
TOTAL ALL EXPENSES:		106,712	113,875	(7,163)	-7%
NET INCOME (LOSS):		(106,712)	(113,875)	(7,163)	-7%
FTEs		0.91	0.92		

**Washington State Bar Association
FY22 Reforecast and FY23 Budget v2 Comparison**

NME-New Member Education

	FY21 Actuals	FY22 Reforecast	FY23 Budget v2	FY23 Budget v2 vs Reforecast FY22 F/(U)	% of change F/(U)
REVENUE:					
NMP Product Sales		60,000	65,000	5,000	8%
Seminar Registrations		16,500	8,000	(8,500)	-52%
Trial Advocacy Program		15,000	12,000	(3,000)	-20%
TOTAL REVENUE		91,500	85,000	(6,500)	-7%
DIRECT EXPENSES:					
Speakers & Program Development		500	100	400	80%
Trial Advocacy Expenses		1,500	1,500	-	0%
TOTAL DIRECT EXPENSES:		2,000	1,600	400	20%
INDIRECT EXPENSES:					
Salaries - Salaries		50,375	53,222	(2,847)	-6%
Salaries - Vacation & Comp Time Accruals		196		196	100%
Indirect Allocation In - Salaries		268	333	(65)	-24%
Benefits		16,076	16,428	(351)	-2%
OTHER INDIRECT EXPENSE		23,141	25,306	(2,165)	-9%
TOTAL INDIRECT EXPENSES:		90,056	95,288	(5,232)	-6%
TOTAL ALL EXPENSES:		92,056	96,888	(4,832)	-5%
NET INCOME (LOSS):		(556)	(11,888)	(11,332)	-2038%
FTEs		0.78	0.78		
Indirect Allocation In - Benefits		712	1,208		

Washington State Bar Association
FY22 Reforecast and FY23 Budget v2 Comparison

LLB-Legal Lunchbox

	FY21 Actuals	FY22 Reforecast	FY23 Budget v2	FY23 Budget v2 vs Reforecast FY22 F/(U)	% of change F/(U)	
REVENUE:						
Sponsorships		9,000	9,000	-	0%	moved from MBEN cost center
MP3 Sales		8,000	-	(8,000)	-100%	moved from MBEN cost center
Digital Video Sales		25,000	14,000	(11,000)	-44%	moved from MBEN cost center
TOTAL REVENUE		42,000	23,000	(19,000)	-45%	
DIRECT EXPENSES:						
Speakers & Program Develop		100	1,500	(1,400)	-1400%	
TOTAL DIRECT EXPENSES:		100	1,500	(1,400)	-1400%	
INDIRECT EXPENSES:						
Salaries		26,359	27,897	(1,538)	-6%	
Benefits		9,207	9,216	(10)	0%	
OTHER INDIRECT EXPENSE		12,571	13,821	(1,250)	-10%	
TOTAL INDIRECT EXPENSES:		48,136	50,934	(2,797)	-6%	
TOTAL ALL EXPENSES:		48,236	52,434	(4,197)	-9%	
NET INCOME (LOSS):		(6,236)	(29,434)	(23,197)	-372%	
FTEs		0.43	0.43			
Indirect Allocation In - Benefits		389	660			

**Washington State Bar Association
FY22 Reforecast and FY23 Budget v2 Comparison**

SECT-Sections Administration

	FY21 Actuals	FY22 Reforecast	FY23 Budget v2	FY23 Budget v2 vs Reforecast FY22 F/(U)	% of change F/(U)
REVENUE:					
Reimbursements From Sections	213,088	284,000	290,543	6,543	2%
TOTAL REVENUE	213,088	284,000	290,543	6,543	2%
DIRECT EXPENSES:					
Staff Travel/Parking		1,000	750	250	25%
Staff Training & Conferences		200	500	(300)	-150%
Staff Membership Dues		250	250	-	0%
Subscriptions	410	350	350	-	0%
Conference Calls	8	-	-	-	-100%
Section/Committee Chair Mtgs		500	1,000	(500)	-100%
Dues Statements	5,935	4,593	5,000	(407)	-9%
TOTAL DIRECT EXPENSES:	6,353	6,893	7,850	(957)	-14%
INDIRECT EXPENSES:					
Salaries - Salaries	128,235	143,750	148,480	(4,730)	-3%
51122 Staff Replacement Temps	15,026			-	-100%
Salaries - Vacation & Comp Time Accruals	452	544		544	100%
Indirect Allocation In - Salaries		887	1,100	(214)	-24%
Benefits	52,284	60,412	63,100	(2,688)	-4%
OTHER INDIRECT EXPENSE	70,810	76,400	83,704	(7,304)	-10%
TOTAL INDIRECT EXPENSES:	266,806	281,993	296,384	(14,391)	-5%
TOTAL ALL EXPENSES:	273,159	288,886	304,234	(15,348)	-5%
NET INCOME (LOSS):	(60,071)	(4,886)	(13,691)	(8,805)	180%
FTEs		2.58	2.58		

**Washington State Bar Association
FY22 Reforecast and FY23 Budget v2 Comparison**

DISC-Discipline

	FY21 Actuals	FY22 Reforecast	FY23 Budget v2	FY23 Budget v2 vs Reforecast FY22 F/(U)	% of change F/(U)
REVENUE:					
Copy Fees	-	36		(36)	-100%
Audit Revenue	1,275	1,000	1,000	-	0%
Recovery of Discipline Costs	107,513	100,000	100,000	-	0%
Discipline History Summary	19,087	17,000	18,000	1,000	6%
Practice Monitor Fees		4,000	-	(4,000)	-100%
TOTAL REVENUE	127,875	122,036	119,000	(3,036)	-2%

DIRECT EXPENSES:

Depreciation			45,835	(45,835)	
Publications Production	181	181	200	(19)	-11%
Staff Travel/Parking	11,138	20,000	20,000	-	0%
Staff Training & Conferences		38,972	33,295	5,677	15%
Staff Membership Dues	4,893	8,205	7,610	595	7%
Telephone	2,203	2,359	2,359	-	0%
Court Reporters	19,144	45,000	60,000	(15,000)	-33%
Outside Counsel Expenses	500	1,500	1,500	-	0%
Litigation Expenses	10,674	25,000	25,000	-	0%
Disability Expenses	4,900	9,000	9,000	-	0%
Online Legal Research	53,367	55,201	-	55,201	100%
Law Library	5,007	3,606	-	3,606	100%
Translation Services	500	900	1,200	(300)	-33%
Practice Monitor Expenses		4,000	1,000	(3,000)	75%
TOTAL DIRECT EXPENSES:	112,507	213,924	206,999	6,925	3%

INDIRECT EXPENSES:

Salaries - Salaries	3,530,231	3,449,352	3,714,591	(265,240)	-8%
Salaries - Budgeted Temporary Empl	13,263	68,693	34,067	34,626	50%
51121 Unanticipated Temps		23,830		23,830	100%
Salaries - Staff Replacement Temps	21,864	-		-	-100%
Salaries - Vacation & Comp Time Acc	5,477	10,951		10,951	100%
Indirect Allocation In - Salaries		12,493	16,122	(3,629)	-29%
Benefits	1,042,667	1,022,297	1,066,164	(43,867)	-4%
OTHER INDIRECT EXPENSE	977,545	1,078,046	1,226,360	(148,314)	-14%
TOTAL INDIRECT EXPENSES:	5,591,047	5,665,662	6,057,305	(391,643)	-7%

TOTAL ALL EXPENSES:	5,703,554	5,879,586	6,264,304	(384,718)	-7%
NET INCOME (LOSS):	(5,575,679)	(5,757,549)	(6,145,304)	(387,754)	-7%

FTEs	37.00	37.80
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Washington State Bar Association
FY22 Reforecast and FY23 Budget v2 Comparison

ADMISS-Admissions

	FY21 Actuals	FY22 Reforecast	FY23 Budget v2	FY23 Budget v2 vs Reforecast FY22 F/(U)	% of change F/(U)
REVENUE:					
Exam Soft Revenue	6,591	-	27,000	27,000	100%
Bar Exam Fees	1,050,961	1,172,120	1,213,000	40,880	3%
Bar Exam Late Fees	62,700	40,256	40,000	(256)	-1%
House Counsel Application Fees	44,920	39,488	54,000	14,512	37%
Rule 9/Legal intern Fees	12,400	11,242	12,000	758	7%
RPC Booklets	5			-	-100%
Foreign Law Consultant Fees	1,240	1,860	1,240	(620)	-33%
Special Admissions	5,405	4,387	15,700	11,313	258%
TOTAL REVENUE	1,184,222	1,269,353	1,362,940	93,587	7%
DIRECT EXPENSES:					
Postage	529	1,200	750	450	38%
Staff Travel/Parking	651	12,136	23,000	(10,864)	-90%
Staff Training & Conferences		13,380	10,500	2,880	22%
Staff Membership Dues	400	800	600	200	25%
Supplies	940	2,500	2,750	(250)	-10%
Conference Calls	23			-	-100%
Facility, Parking, Food	18,151	93,038	101,000	(7,962)	-9%
Examiner Fees	26,000	36,000	36,000	-	0%
UBE Examinations	107,662	126,900	123,000	3,900	3%
Board of Bar Examiners		23,000	18,850	4,150	18%
Bar Exam Proctors	150	31,000	39,000	(8,000)	-26%
Character & Fitness Board Exp	12	-	-	-	-100%
Disability AccommodationS	8,385	20,500	27,000	(6,500)	-32%
Character & Fitness Investi	242	2,000	2,000	-	0%
Law School Visits		850	1,700	(850)	-100%
ILG Exam Fees	43,100	-	-	-	-100%
Depreciation-Software	15,123	21,235	24,929	(3,694)	-17%
Court Reporters	8,139	-	-	-	-100%
Online Legal Research	3,678	3,467		3,467	100%
Law Library	133	151		151	100%
TOTAL DIRECT EXPENSES:	233,318	388,157	411,079	(22,922)	-6%
INDIRECT EXPENSES:					
Salaries - Salaries	466,236	477,064	509,866	(32,802)	-7%
51122 Staff Replacement Temps		16,428		16,428	100%
Salaries - Vacation & Comp Time Accruals	1,260	1,897		1,897	100%
Indirect Allocation In - Salaries		2,280	2,879	(599)	-26%
Benefits	169,139	165,832	172,364	(6,532)	-4%
OTHER INDIRECT EXPENSE	172,850	198,428	218,993	(20,565)	-10%
TOTAL INDIRECT EXPENSES:	809,484	861,929	904,102	(42,173)	-5%
TOTAL ALL EXPENSES:	1,042,802	1,250,086	1,315,181	(65,095)	-5%
NET INCOME (LOSS):	141,420	19,267	47,759	28,492	-148%

FTEs

6.75

6.75

**Washington State Bar Association
FY22 Reforecast and FY23 Budget v2 Comparison**

CFB-Character & Fitness Board

	FY21 Actuals	FY22 Reforecast	FY23 Budget v2	FY23 Budget v2 vs Reforecast FY22 F/(U)	% of change F/(U)
REVENUE:					
DIRECT EXPENSES:					
Character & Fitness Board Exp		10,000	12,000	(2,000)	-20%
Court Reporters		15,000	15,000	-	0%
TOTAL DIRECT EXPENSES:		25,000	27,000	(2,000)	-8%
INDIRECT EXPENSES:					
Salaries - Salaries		26,112	90,231	(64,119)	-246%
Salaries - Vacation & Comp Time Accruals		25		25	100%
Indirect Allocation In - Salaries		137	320	(182)	-133%
Benefits		8,456	25,863	(17,407)	-206%
OTHER INDIRECT EXPENSE		8,990	24,333	(15,342)	-171%
TOTAL INDIRECT EXPENSES:		43,720	140,746	(97,026)	-222%
TOTAL ALL EXPENSES:		68,720	167,746	(99,026)	-144%
NET INCOME (LOSS):		(68,720)	(167,746)	(99,026)	-144%
FTEs		0.40	0.75		

**Washington State Bar Association
FY22 Reforecast and FY23 Budget v2 Comparison**

CLERK-Law Clerk Program

	FY21 Actuals	FY22 Reforecast	FY23 Budget v2	FY23 Budget vs Reforecast FY22 F/(U)	% of change F/(U)
REVENUE:					
Law Clerk Fees	183,001	220,000	185,000	(35,000)	-16%
Law Clerk Application Fees	3,800	2,500	3,200	700	28%
TOTAL REVENUE	186,801	222,500	188,200	(34,300)	-15%
DIRECT EXPENSES:					
Subscriptions		250	250	-	0%
Character & Fitness Investi		100	100	-	0%
Law Clerk Board	279	4,667	8,000	(3,333)	-71%
Law Clerk Outreach		667	550	117	18%
TOTAL DIRECT EXPENSES:	279	5,683	8,900	(3,217)	-57%
INDIRECT EXPENSES:					
Salaries - Salaries	57,470	73,883	82,024	(8,141)	-11%
Salaries - Vacation & Comp Time	(13)	233		233	100%
Indirect Allocation In - Salaries		335	418	(83)	-25%
Benefits	19,926	23,077	25,330	(2,253)	-10%
OTHER INDIRECT EXPENSE	23,603	28,461	31,795	(3,334)	-12%
TOTAL INDIRECT EXPENSES:	100,986	125,989	139,567	(13,578)	-11%
TOTAL ALL EXPENSES:	101,265	131,672	148,467	(16,795)	-13%
NET INCOME (LOSS):	85,536	90,828	39,733	(51,095)	-56%
FTEs		0.98	0.98		

**Washington State Bar Association
FY22 Reforecast and FY23 Budget v2 Comparison**

LICMR-Licensing & Membership Records

	FY21 Actuals	FY22 Reforecast	FY23 Budget v2	FY23 Budget v2 vs Reforecast FY22 F/(U)	% of change F/(U)
REVENUE:					
Status Certificate Fees	29,729	24,061	27,000	2,939	12%
Investigation Fees	22,600	21,759	21,000	(759)	-3%
Pro Hac Vice	403,956	362,311	400,000	37,689	10%
Member Contact Information	5,328	3,125	4,000	875	28%
Photo Bar Card Sales	312	247	200	(47)	-19%
TOTAL REVENUE	461,925	411,503	452,200	40,697	10%
DIRECT EXPENSES:					
Depreciation	1,151	0	1,151	(1,151)	-479483%
Postage	18,061	22,641	16,500	6,141	27%
Licensing Forms	2,845	1,977	2,000	(23)	-1%
TOTAL DIRECT EXPENSES:	22,057	24,619	19,651	4,968	20%
INDIRECT EXPENSES:					
Salaries - Salaries	336,821	358,167	370,327	(12,160)	-3%
Salaries - Budgeted Temporary Emp	7,602	6,487	7,560	(1,073)	-17%
Salaries - Vacation & Comp Time Accr	835	1,265		1,265	100%
Indirect Allocation In - Salaries		1,314	1,634	(319)	-24%
Benefits	122,883	118,907	124,269	(5,362)	-5%
OTHER INDIRECT EXPENSE	100,224	113,292	124,258	(10,966)	-10%
TOTAL INDIRECT EXPENSES:	568,364	599,433	628,048	(28,614)	-5%
TOTAL ALL EXPENSES:	590,421	624,052	647,699	(23,647)	-4%
NET INCOME (LOSS):	(128,496)	(212,549)	(195,499)	17,050	8%
FTEs		3.83	3.83		

**Washington State Bar Association
FY22 Reforecast and FY23 Budget v2 Comparison**

LLLT-Limited License Legal Technician

	FY21 Actuals	FY22 Reforecast	FY23 Budget v2	FY23 Budget v2 vs Reforecast FY22 F/(U)	% of change F/(U)
REVENUE:					
Seminar Registrations	796	-	12,000	12,000	100%
LLLT Exam Late Fee	1,800	300	-	(300)	-100%
LLLT License Fees	9,508	12,634	16,622	3,988	32%
LLLT Exam Fees	18,150	3,550	-	(3,550)	-100%
LLLT Late License Fees	275	1,000	1,100	100	10%
LLLT Waiver Fees	300	-	-	-	-100%
TOTAL REVENUE	30,828	17,484	29,722	12,238	70%
DIRECT EXPENSES:					
LLLT Board		15,449	15,000	449	3%
Exam Writing	6,788	4,500		4,500	100%
LLLT Education		-	500	(500)	-100%
TOTAL DIRECT EXPENSES:	6,788	19,949	15,500	4,449	22%
INDIRECT EXPENSES:					
Salaries - Salaries	58,220	37,808	51,322	(13,514)	-36%
Salaries - Vacation & Comp Time	(70)	137		137	100%
Indirect Allocation In - Salaries		137	226	(89)	-66%
Benefits	26,581	13,219	17,299	(4,081)	-31%
OTHER INDIRECT EXPENSE	26,508	12,286	17,195	(4,909)	-40%
TOTAL INDIRECT EXPENSES:	111,240	63,587	86,042	(22,455)	-35%
TOTAL ALL EXPENSES:	118,027	83,536	101,542	(18,006)	-22%
NET INCOME (LOSS):	(87,199)	(66,052)	(71,820)	(5,768)	-9%
FTEs		0.48	0.53		

**Washington State Bar Association
FY22 Reforecast and FY23 Budget v2 Comparison**

LPO-Limited Practice Officers

	FY21 Actuals	FY22 Reforecast	FY23 Budget v2	FY23 Budget v2 vs Reforecast FY22 F/(U)	% of change F/(U)
REVENUE:					
Investigation Fees	1,400	400	500	100	25%
LPO Examination Fees	21,800	28,350	24,000	(4,350)	-15%
LPO Exam Late Fee	4,100	5,500	4,300	(1,200)	-22%
LPO License Fees	169,835	172,579	164,750	(7,829)	-5%
LPO Late License Fees	3,840	5,100	988	(4,112)	-81%
LPO License Fees - ReinStates	-	667	550	(117)	-18%
Member Late Fees		1,200		(1,200)	-100%
TOTAL REVENUE	200,975	213,795	195,088	(18,707)	-9%
DIRECT EXPENSES:					
Printing & Copying		100	250	(150)	-150%
Facility, Parking, Food		9,000	9,000	-	0%
Exam Writing	9,750	8,400	9,000	(600)	-7%
Online Legal Research	1,839	2,156		2,156	100%
Law Library	3,231	4,701		4,701	100%
LPO Board Expenses	4	2,000	1,792	208	10%
LPO Outreach		3,333	1,000	2,333	70%
TOTAL DIRECT EXPENSES:	14,824	29,690	21,042	8,648	29%
INDIRECT EXPENSES:					
Salaries - Salaries	39,347	49,112	57,584	(8,472)	-17%
Salaries - Vacation & Comp Tir	(150)	188		188	100%
Indirect Allocation In - Salaries		192	290	(98)	-51%
Benefits	15,112	17,559	20,388	(2,829)	-16%
OTHER INDIRECT EXPENSE	13,073	17,747	22,062	(4,314)	-24%
TOTAL INDIRECT EXPENSES:	67,381	84,798	100,324	(15,526)	-18%
TOTAL ALL EXPENSES:	82,206	114,489	121,366	(6,877)	-6%
NET INCOME (LOSS):	118,770	99,307	73,722	(25,585)	-26%

FTEs 0.68 0.68

Washington State Bar Association
FY22 Reforecast and FY23 Budget v2 Comparison

MCLE-Mandatory Continuing Legal Education

	FY21 Actuals	FY22 Reforecast	FY23 Budget v2	FY23 Budget v2 vs Reforecast FY22 F/(U)	% of change F/(U)
REVENUE:					
Accredited Program Fees	559,700	566,556	550,000	(16,556)	-3%
Form 1 Late Fee	221,455	220,000	220,000	-	0%
Member Late Fees	6,196	400,000	190,000	(210,000)	-53%
Annual Accredited Sponsor Fees	42,250	39,250	38,250	(1,000)	-3%
Attendance Fees	(124)	-	-	-	-100%
Attendance Late Fees	115,345	115,000	98,000	(17,000)	-15%
COMITY Certificates - Request	13,637	13,500	14,000	500	4%
COMITY Certificates - Submit	2,550	28,500	15,000	(13,500)	-47%
TOTAL REVENUE	961,010	1,382,807	1,125,250	(257,557)	-19%
DIRECT EXPENSES:					
Staff Travel/Parking		50	50	-	0%
Staff Training & Conferences		6,550	4,900	1,650	25%
Staff Membership Dues		500	500	-	0%
Online Legal Research	1,839	2,114		2,114	100%
Law Library	133	182		182	100%
MCLE Board Expenses		1,300	2,000	(700)	-54%
Depreciation-Software	142,864	22,747	59,565	(36,818)	-162%
TOTAL DIRECT EXPENSES:	144,835	33,442	67,015	(33,573)	-100%
INDIRECT EXPENSES:					
Salaries - Salaries	251,880	313,727	327,778	(14,052)	-4%
Salaries - Budgeted Temporary Employees		75,093	108,000	(32,907)	-44%
Salaries - Vacation & Comp Time Accruals	102	1,113		1,113	100%
Indirect Allocation In - Salaries		1,675	2,081	(406)	-24%
Benefits	102,873	118,897	125,455	(6,559)	-6%
OTHER INDIRECT EXPENSE	100,224	144,282	158,324	(14,041)	-10%
TOTAL INDIRECT EXPENSES:	455,078	654,787	721,639	(66,851)	-10%
TOTAL ALL EXPENSES:	599,914	688,230	788,654	(100,424)	-15%
NET INCOME (LOSS):	361,096	694,577	336,596	(357,981)	-52%
FTEs		4.88	4.88		

**Washington State Bar Association
FY22 Reforecast and FY23 Budget v2 Comparison**

RSD FTE-Dept headcount allocation

	FY21 Actuals	FY22 Reforecast	FY23 Budget v2	FY23 Budget v2 vs Reforecast FY22 F/(U)	% of change F/(U)
REVENUE:					
DIRECT EXPENSES:					
Staff Conferences & Training		7,500	23,550	16,050	-214%
TOTAL DIRECT EXPENSES:		7,500	23,550	(16,050)	-214%
INDIRECT EXPENSES:					
Salaries - Salaries	225,784	326,030	348,315	(22,285)	-7%
Salaries - Vacation & Comp Tir	1,555	892		892	100%
Indirect Allocation In - Salaries		927	1,152	(225)	-24%
Benefits	86,034	100,227	104,410	(4,184)	-4%
OTHER INDIRECT EXPENSE	71,173	80,392	87,597	(7,206)	-9%
TOTAL INDIRECT EXPENSES:	384,547	508,467	541,474	(33,007)	-6%
TOTAL ALL EXPENSES:	384,547	515,967	565,024	(49,057)	-10%
NET INCOME (LOSS):	(384,547)	(515,967)	(565,024)	(49,057)	-10%
FTEs		2.78	2.70		

**Washington State Bar Association
Budget FY23 and FY22 Comparison**

	GL Acct #	Budget FY2023 v2	Budget FY2022 v3	Comparison
Section Operation				
REVENUE:				
Interest - Investments	40500	13,120	910	12,210
Publications Revenue	40800	2,000	4,000	(2,000)
Sponsorships	41450	2,000	-	2,000
Annual or Other Meeting Rev	41500	2,000	2,000	-
Conferences & Institutes	41700	5,000	8,000	(3,000)
Seminar Registrations	41800	1,450		1,450
Mini-CLE Revenue	41805	36,430	36,070	360
Seminar Splits w/CLE	41850	133,170	139,494	(6,324)
Seminar Splits w/Others	41875	14,300	8,000	6,300
Section Dues Revenue	48200	440,225	439,178	1,047
TOTAL REVENUE		649,695	637,652	12,043
DIRECT EXPENSES:				
Direct Expenses of Section Activities		632,503	612,229	20,274
Reimbursement to WSBA for Indirect Expenses	58400	272,143	287,423	(15,280)
TOTAL DIRECT EXPENSES:		904,646	899,652	4,994
NET INCOME (LOSS):		(254,951)	(262,000)	7,049

**Washington State Bar Association
Budget FY23 and FY22 Comparison**

GL Acct #

SACPU-Antitrust, Consumer Protection & Unfair Business Practices

		Budget FY2023 v2	Budget FY2022 v3	Comparison
REVENUE:				
Interest - Investments	40500	630		630
Mini-CLE Revenue	41805	240	100	140
Section Dues Revenue	48200	4,775	4,600	175
TOTAL REVENUE		5,645	4,700	945
-				
DIRECT EXPENSES:				
Executive Committee Expenses	58300	750	750	-
Ldship/Prof Develop/Retreats	58325	500	500	-
Membership & Recruiting Exp	58350	100	100	-
Per Member Charge	58400	3,373	3,450	(77)
Reception/Forum Expense	58450	690		690
Scholarships/Donations/Grant	58525	6,000	6,000	-
Law School Outreach	58615	1,000	1,000	-
Mini-CLE Expense	58620	1,500	1,500	-
TOTAL DIRECT EXPENSES:		13,913	13,300	613
TOTAL ALL EXPENSES:		13,913	13,300	613
NET INCOME (LOSS):		(8,268)	(8,600)	332

30415 Fund Balance - Antitr, CP, UBP	39,232		47,500	
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**Washington State Bar Association
Budget FY23 and FY22 Comparison**

SADM-Administrative Law	GL Acct #	Budget FY2023 v2	Budget FY2022 v3	Comparison
REVENUE:				
Interest - Investments	40500	230	150	80
Publications Revenue	40800	2,000	4,000	(2,000)
Mini-CLE Revenue	41805	4,750	4,000	750
Section Dues Revenue	48200	7,500	7,500	-
TOTAL REVENUE		14,480	15,650	(1,170)
DIRECT EXPENSES:				
Attendance at BOG Meetings	58150	-	125	(125)
Awards	58175	400	400	-
Executive Committee Expenses	58300	-	500	(500)
Ldship/Prof Develop/Retreats	58325	10,000	8,500	1,500
Membership & Recruiting Exp	58350	125	125	-
Newsletter/Publication Expense	58375	1,200	1,000	200
Per Member Charge	58400	4,415	4,687	(272)
Reception/Forum Expense	58450	1,000	500	500
Mini-CLE Expense	58620	1,000	1,500	(500)
TOTAL DIRECT EXPENSES:		18,140	17,337	803
TOTAL ALL EXPENSES:		18,140	17,337	803
NET INCOME (LOSS):		(3,660)	(1,687)	(1,973)
30405 Fund Balance - Admin Law		32,510	36,170	

**Washington State Bar Association
Budget FY23 and FY22 Comparison**

SANIM-Animal Law	GL Acct #	Budget FY2023 v2	Budget FY2022 v3	Comparison
REVENUE:				
Interest - Investments	40500	120	-	120
Mini-CLE Revenue	41805	260	250	10
Seminar Splits w/Others	41875	100		100
Section Dues Revenue	48200	2,225	1,975	250
TOTAL REVENUE		2,705	2,225	480
			-	
DIRECT EXPENSES:				
Conference Calls	50165	-	10	(10)
Executive Committee Expenses	58300	570	500	70
Ldship/Prof Develop/Retreats	58325	960	-	960
Membership & Recruiting Exp	58350	10	100	(90)
Per Member Charge	58400	1,572	1,481	91
Mini-CLE Expense	58620	970	750	220
Seminar Expense - Sections	58625	-	2,500	(2,500)
TOTAL DIRECT EXPENSES:		4,082	5,341	(1,259)
TOTAL ALL EXPENSES:		4,082	5,341	(1,259)
NET INCOME (LOSS):		(1,377)	(3,116)	1,739
30410 Fund Balance - Animal Law		5,404	6,781	

**Washington State Bar Association
Budget FY23 and FY22 Comparison**

SBUS-Business Law	GL Acct #	Budget FY2023 v2	Budget FY2022 v3	Comparison
REVENUE:				
Interest - Investments	40500	470	10	460
Mini-CLE Revenue	41805	1,580	1,000	580
Seminar Splits w/CLE	41850	1,150	800	350
Section Dues Revenue	48200	30,825	30,750	75
TOTAL REVENUE		34,025	32,560	1,465
DIRECT EXPENSES:				
Conference Calls	50165	210	250	(40)
Annual or Other Meeting Expens	58125	1,000		1,000
Attendance at BOG Meetings	58150	300	300	-
Executive Committee Expenses	58300	500	2,000	(1,500)
Ldship/Prof Develop/Retreats	58325	900	900	-
Membership & Recruiting Exp	58350	1,000	1,000	-
Newsletter/Publication Expense	58375	2,000	2,000	-
Per Member Charge	58400	21,775	23,063	(1,288)
Reception/Forum Expense	58450	900	900	-
New Lawyer Outreach	58500	1,500	1,500	-
Scholarships/Donations/Grant	58525	6,000	7,000	(1,000)
Section Committee Expense	58550	2,500	2,200	300
Section Special Projects	58600	-	1,500	(1,500)
Mini-CLE Expense	58620	2,800	3,000	(200)
Seminar Expense - Sections	58625	2,000	2,000	-
TOTAL DIRECT EXPENSES:		43,385	47,613	(4,228)
TOTAL ALL EXPENSES:		43,385	47,613	(4,228)
NET INCOME (LOSS):		(9,360)	(15,053)	5,693
30420 Fund Balance - Business Law		25,339	34,699	

**Washington State Bar Association
Budget FY23 and FY22 Comparison**

SCAN-Cannabis Law Section	GL Acct #	Budget FY2023 v2	Budget FY2022 v3	Comparison
REVENUE:				
Interest - Investments	40500	20		20
Mini-CLE Revenue	41805	250	250	-
Section Dues Revenue	48200	1,750	2,125	(375)
TOTAL REVENUE		2,020	2,375	(355)
DIRECT EXPENSES:				
Membership & Recruiting Exp	58350	50	50	-
Per Member Charge	58400	1,236	1,594	(358)
Mini-CLE Expense	58620	225	200	25
TOTAL DIRECT EXPENSES:		1,511	1,844	(333)
TOTAL ALL EXPENSES:		1,511	1,844	(333)
NET INCOME (LOSS):		509	531	(22)
30422 Fund Balance- Cannabis Law		4,154	3,645	

**Washington State Bar Association
Budget FY23 and FY22 Comparison**

SCD-Creditor Debtor Rights	GL Acct #	Budget FY2023 v2	Budget FY2022 v3	Comparison
REVENUE:				
Interest - Investments	40500	330	300	30
Seminar Splits w/CLE	41850	2,400	600	1,800
Section Dues Revenue	48200	15,960	14,100	1,860
TOTAL REVENUE		18,690	15,000	3,690
DIRECT EXPENSES:				
Conference Calls	50165	-	150	(150)
Annual or Other Meeting Expens	58125	140	300	(160)
Awards	58175	360	-	360
Executive Committee Expenses	58300	340	5,400	(5,060)
Membership & Recruiting Exp	58350	-	250	(250)
Newsletter/Publication Expense	58375	210	600	(390)
Per Member Charge	58400	8,053	8,500	(447)
Scholarships/Donations/Grant	58525	5,000	5,000	-
TOTAL DIRECT EXPENSES:		14,103	20,200	(6,097)
TOTAL ALL EXPENSES:		14,103	20,200	(6,097)
NET INCOME (LOSS):		4,587	(5,200)	9,787
30435 Fund Balance - Creditor/Debtor		28,234	23,647	

**Washington State Bar Association
Budget FY23 and FY22 Comparison**

SCON-Construction Law	GL Acct #	Budget FY2023 v2	Budget FY2022 v3	Comparison
REVENUE:				
Interest - Investments	40500	440		440
Mini-CLE Revenue	41805	1,800	1,800	-
Seminar Splits w/Others	41875	10,580	6,000	4,580
Section Dues Revenue	48200	12,350	12,000	350
TOTAL REVENUE		25,170	19,800	5,370
DIRECT EXPENSES:				
Conference Calls	50165	-	20	(20)
Awards	58175	1,000	3,500	(2,500)
Executive Committee Expenses	58300	2,370	5,000	(2,630)
Ldship/Prof Develop/Retreats	58325	1,860	2,500	(640)
Membership & Recruiting Exp	58350	-	500	(500)
Newsletter/Publication Expense	58375	3,000	2,500	500
Per Member Charge	58400	8,724	8,909	(185)
Reception/Forum Expense	58450	8,000	4,500	3,500
Scholarships/Donations/Grant	58525	80	500	(420)
Section Special Projects	58600	2,000	750	1,250
Mini-CLE Expense	58620	1,800	3,500	(1,700)
Seminar Expense - Sections	58625	314	1,500	(1,186)
TOTAL DIRECT EXPENSES:		29,148	33,679	(4,531)
TOTAL ALL EXPENSES:		29,148	33,679	(4,531)
NET INCOME (LOSS):		(3,978)	(13,879)	9,901
30425 Fund Balance -Construction		28,551	32,529	

**Washington State Bar Association
Budget FY23 and FY22 Comparison**

SCORP-Corporate Counsel Section	GL Acct #	Budget FY2023 v2	Budget FY2022 v3	Comparison
REVENUE:				
Interest - Investments	40500	480		480
Mini-CLE Revenue	41805	8,000	10,000	(2,000)
Seminar Splits w/CLE	41850	6,850	5,345	1,505
Seminar Splits w/Others	41875	3,620	1,500	2,120
Section Dues Revenue	48200	21,250	24,000	(2,750)
TOTAL REVENUE		40,200	40,845	(645)
DIRECT EXPENSES:				
Conference Calls	50165	75	150	(75)
Awards	58175	200	200	-
Executive Committee Expenses	58300	500	500	-
Ldship/Prof Develop/Retreats	58325	500	1,250	(750)
Membership & Recruiting Exp	58350	1,000	500	500
Newsletter/Publication Expense	58375	-	150	(150)
Per Member Charge	58400	19,002	22,500	(3,498)
Reception/Forum Expense	58450	-	500	(500)
Scholarships/Donations/Grant	58525	5,000	6,000	(1,000)
Mini-CLE Expense	58620	8,750	8,750	-
Seminar Expense - Sections	58625	-	3,000	(3,000)
TOTAL DIRECT EXPENSES:		35,027	43,500	(8,473)
TOTAL ALL EXPENSES:		35,027	43,500	(8,473)
NET INCOME (LOSS):		5,173	(2,655)	7,828
30430 Fund Balance - Corporate Law		51,579	46,406	

**Washington State Bar Association
Budget FY23 and FY22 Comparison**

SCRIM-Criminal Law	GL Acct #	Budget FY2023 v2	Budget FY2022 v3	Comparison
REVENUE:				
Interest - Investments	40500	820		820
Mini-CLE Revenue	41805	-	1,000	(1,000)
Seminar Splits w/CLE	41850	7,000	2,700	4,300
Section Dues Revenue	48200	11,220	11,010	210
TOTAL REVENUE		19,040	14,710	4,330
DIRECT EXPENSES:				
Conference Calls	50165	100	100	-
Annual or Other Meeting Expens	58125	5,500	4,500	1,000
Executive Committee Expenses	58300	5,000	9,000	(4,000)
Executive Comm Exp - Other	58305	550	1,000	(450)
Ldship/Prof Develop/Retreats	58325	4,130	6,000	(1,870)
Membership & Recruiting Exp	58350	500	500	-
Per Member Charge	58400	6,605	6,881	(276)
Reception/Forum Expense	58450	2,500	2,000	500
New Lawyer Outreach	58500	500	500	-
Scholarships/Donations/Grant	58525	4,000	3,500	500
Law School Outreach	58615	500	1,000	(500)
Mini-CLE Expense	58620	2,000	1,500	500
Seminar Expense - Sections	58625	11,000	9,500	1,500
TOTAL DIRECT EXPENSES:		42,885	45,981	(3,096)
TOTAL ALL EXPENSES:		42,885	45,981	(3,096)
NET INCOME (LOSS):		(23,845)	(31,271)	7,426
30440 Fund Balance - Criminal Law		19,768	43,613	

**Washington State Bar Association
Budget FY23 and FY22 Comparison**

SCRL-Civil Rights Law	GL Acct #	Budget FY2023 v2	Budget FY2022 v3	Comparison
REVENUE:				
Interest - Investments	40500	120		120
Mini-CLE Revenue	41805	1,500	1,000	500
Seminar Splits w/CLE	41850	875	400	475
Section Dues Revenue	48200	5,220	4,500	720
TOTAL REVENUE		7,715	5,900	1,815
DIRECT EXPENSES:				
Conference Calls	50165	240	400	(160)
Attendance at BOG Meetings	58150	-	200	(200)
Awards	58175	310	300	10
Executive Committee Expenses	58300	750	1,700	(950)
Honorarium	58315	500	500	-
Ldship/Prof Develop/Retreats	58325	1,500	1,500	-
Membership & Recruiting Exp	58350	30	300	(270)
Per Member Charge	58400	3,073	2,813	260
Reception/Forum Expense	58450	760	1,000	(240)
Law School Outreach	58615	500	700	(200)
Mini-CLE Expense	58620	500	500	-
TOTAL DIRECT EXPENSES:		8,163	9,913	(1,750)
TOTAL ALL EXPENSES:		8,163	9,913	(1,750)
NET INCOME (LOSS):		(448)	(4,013)	3,565
30465 Fund Balance - Civil Right Sect		8,528	8,976	

**Washington State Bar Association
Budget FY23 and FY22 Comparison**

SDR-Alternative Dispute Resolution	GL Acct #	Budget FY2023 v2	Budget FY2022 v3	Comparison
REVENUE:				
Interest - Investments	40500	390		390
Conferences & Institutes	41700	5,000	8,000	(3,000)
Mini-CLE Revenue	41805	360		360
Section Dues Revenue	48200	11,165	11,165	-
TOTAL REVENUE		16,915	19,165	(2,250)
DIRECT EXPENSES:				
Conference Calls	50165	150	750	(600)
Annual or Other Meeting Expens	58125	-	500	(500)
Attendance at BOG Meetings	58150	-	250	(250)
Executive Committee Expenses	58300	1,000	1,800	(800)
Ldship/Prof Develop/Retreats	58325	5,500	5,500	-
Membership & Recruiting Exp	58350	1,500	2,750	(1,250)
Per Member Charge	58400	5,634	5,981	(347)
Scholarships/Donations/Grant	58525	570		570
Section Committee Expense	58550	-	4,000	(4,000)
Minl-CLE Expense	58620	2,000	2,000	-
Seminar Expense - Sections	58625	-	10,000	(10,000)
Website Expenses	58675	250	500	(250)
TOTAL DIRECT EXPENSES:		16,604	34,031	(17,427)
TOTAL ALL EXPENSES:		16,604	34,031	(17,427)
NET INCOME (LOSS):		311	(14,866)	15,177
30445 Fund Balance - Dispute Resol		29,279	28,968	

**Washington State Bar Association
Budget FY23 and FY22 Comparison**

SELD-Elder Law	GL Acct #			
		Budget FY2023 v2	Budget FY2022 v3	Comparison
REVENUE:				
Interest - Investments	40500	770	-	770
Seminar Splits w/CLE	41850	20,300	10,400	9,900
Section Dues Revenue	48200	20,895	21,403	(508)
TOTAL REVENUE		41,965	31,803	10,162
			-	
DIRECT EXPENSES:				
Conference Calls	50165	360	600	(240)
Executive Committee Expenses	58300	1,500	1,500	-
Ldship/Prof Develop/Retreats	58325	5,000	5,000	-
Legislative/Lobbying	58326	1,500	1,500	-
Membership & Recruiting Exp	58350	100	100	-
Per Member Charge	58400	10,543	11,456	(913)
Reception/Forum Expense	58450	3,000	3,000	-
Scholarships/Donations/Grant	58525	15,000	15,000	-
Section Special Projects	58600	2,500	2,500	-
Seminar Expense - Sections	58625	1,500	1,500	-
TOTAL DIRECT EXPENSES:		41,003	42,156	(1,153)
TOTAL ALL EXPENSES:		41,003	42,156	(1,153)
NET INCOME (LOSS):		962	(10,353)	11,315
30450 Fund Balance - Elder Law		81,919	80,957	

**Washington State Bar Association
Budget FY23 and FY22 Comparison**

SELU-Environmental & Land Use Law Section	GL Acct #	Budget FY2023 v2	Budget FY2022 v3	Comparison
REVENUE:				
Interest - Investments	40500	290		290
Seminar Registrations	41800	1,450		1,450
Mini-CLE Revenue	41805	1,050	500	550
Seminar Splits w/CLE	41850	2,975	7,580	(4,605)
Section Dues Revenue	48200	30,520	30,000	520
TOTAL REVENUE		36,285	38,080	(1,795)
DIRECT EXPENSES:				
Conference Calls	50165	150	300	(150)
Awards	58175	2,500	400	2,100
Breakfast/Lunch/Dinner Mtg Exp	58200	300		300
Executive Committee Expenses	58300	10,000	2,000	8,000
Executive Comm Exp - Other	58305	500	10,000	(9,500)
Per Member Charge	58400	13,475	14,063	(588)
Scholarships/Donations/Grant	58525	6,000	9,000	(3,000)
Section Special Projects	58600	500		500
Law School Outreach	58615	1,000	1,000	-
Mini-CLE Expense	58620	2,000	2,500	(500)
Seminar Expense - Sections	58625	1,500	2,000	(500)
Website Expenses	58675	130	140	(10)
Seminar Scholarships	58750	2,000		2,000
TOTAL DIRECT EXPENSES:		40,055	41,403	(1,348)
TOTAL ALL EXPENSES:		40,055	41,403	(1,348)
NET INCOME (LOSS):		(3,770)	(3,323)	(447)
30455 Fund Balance - Envir Land Use		44,609	48,379	

**Washington State Bar Association
Budget FY23 and FY22 Comparison**

SFAM-Family Law	GL Acct #	Budget FY2023 v2	Budget FY2022 v3	Comparison
REVENUE:				
Interest - Investments	40500	850		850
Seminar Splits w/CLE	41850	10,600	15,550	(4,950)
Section Dues Revenue	48200	34,230	34,125	105
TOTAL REVENUE		45,680	49,675	(3,995)
DIRECT EXPENSES:				
Conference Calls	50165	240	200	40
Annual or Other Meeting Expens	58125	1,500	1,500	-
Attendance at BOG Meetings	58150	1,360	2,000	(640)
Awards	58175	2,000	1,900	100
Executive Committee Expenses	58300	16,000	16,000	-
Executive Comm Exp - Other	58305	10,000	10,000	-
Membership & Recruiting Exp	58350	1,000	1,000	-
Per Member Charge	58400	17,271	18,281	(1,010)
Reception/Forum Expense	58450	910		910
Scholarships/Donations/Grant	58525	15,000	10,000	5,000
MinI-CLE Expense	58620	-	2,000	(2,000)
Seminar Expense - Sections	58625	2,000	-	2,000
TOTAL DIRECT EXPENSES:		67,281	62,881	4,400
TOTAL ALL EXPENSES:		67,281	62,881	4,400
NET INCOME (LOSS):		(21,601)	(13,206)	(8,395)
30460 Fund Balance - Family Law		103,278	124,879	

**Washington State Bar Association
Budget FY23 and FY22 Comparison**

SHEA-Health Law	GL Acct #	Budget FY2023 v2	Budget FY2022 v3	Comparison
REVENUE:				
Interest - Investments	40500	770		770
Mini-CLE Revenue	41805	600	1,200	(600)
Seminar Splits w/CLE	41850	500		500
Section Dues Revenue	48200	7,780	7,780	-
TOTAL REVENUE		9,650	8,980	670
			-	
DIRECT EXPENSES:				
Printing & Copying	50070	1,000		1,000
Conference Calls	50165	500	500	-
Annual or Other Meeting Expens	58125	5,000		5,000
Awards	58175	2,000		2,000
Breakfast/Lunch/Dinner Mtg Exp	58200	1,500		1,500
Executive Committee Expenses	58300	5,000	2,500	2,500
Executive Comm Exp - Other	58305	2,500	500	2,000
Honorarium	58315	5,000	5,000	-
Ldship/Prof Develop/Retreats	58325	5,000	4,000	1,000
Membership & Recruiting Exp	58350	5,000	2,000	3,000
Newsletter/Publication Expense	58375	500		500
Per Member Charge	58400	6,870	7,294	(424)
Reception/Forum Expense	58450	1,500		1,500
New Lawyer Outreach	58500	1,500		1,500
Scholarships/Donations/Grant	58525	1,500	2,500	(1,000)
Section Committee Expense	58550	500		500
Section Special Projects	58600	1,500		1,500
Law School Outreach	58615	3,500		3,500
Mini-CLE Expense	58620	1,200	1,800	(600)
Seminar Expense - Sections	58625	15,000	15,000	-
Seminar Scholarships	58750	1,500	2,500	(1,000)
TOTAL DIRECT EXPENSES:		67,570	43,594	23,976
TOTAL ALL EXPENSES:		67,570	43,594	23,976
NET INCOME (LOSS):		(57,920)	(34,614)	(23,306)
30470 Fund Balance - Health Law		(21,796)	36,124	

**Washington State Bar Association
Budget FY23 and FY22 Comparison**

SIND-Indian Law	GL Acct #	Budget FY2023 v2	Budget FY2022 v3	Comparison
REVENUE:				
Interest - Investments	40500	680		680
Seminar Splits w/CLE	41850	2,200	2,750	(550)
Section Dues Revenue	48200	9,600	9,600	-
TOTAL REVENUE		12,480	12,350	130
DIRECT EXPENSES:				
Executive Committee Expenses	58300	400	400	-
Honorarium	58315	500	300	200
Membership & Recruiting Exp	58350	800	800	-
Newsletter/Publication Expense	58375	1,250	1,250	-
Per Member Charge	58400	5,651	6,000	(349)
Reception/Forum Expense	58450	2,000	2,000	-
Scholarships/Donations/Grant	58525	10,000	10,000	-
Seminar Expense - Sections	58625	2,000	-	2,000
TOTAL DIRECT EXPENSES:		22,601	20,750	1,851
TOTAL ALL EXPENSES:		22,601	20,750	1,851
NET INCOME (LOSS):		(10,121)	(8,400)	(1,721)
 30475 Fund Balance - Indian Law		 31,774	 41,895	

**Washington State Bar Association
Budget FY23 and FY22 Comparison**

SINTL-International Practice	GL Acct #	Budget FY2023 v2	Budget FY2022 v3	Comparison
REVENUE:				
Interest - Investments	40500	270	-	270
Sponsorships	41450	2,000	-	2,000
Mini-CLE Revenue	41805	2,000	1,200	800
Section Dues Revenue	48200	8,435	9,000	(565)
TOTAL REVENUE		12,705	10,200	2,505
			-	
DIRECT EXPENSES:				
Conference Calls	50165	200	150	50
Annual or Other Meeting Expens	58125	5,000	-	5,000
Executive Committee Expenses	58300	500	500	-
Ldship/Prof Develop/Retreats	58325	500	-	500
Membership & Recruiting Exp	58350	50	50	-
Newsletter/Publication Expense	58375	500		500
Per Member Charge	58400	4,256	4,219	37
Reception/Forum Expense	58450	-	2,000	(2,000)
Scholarships/Donations/Grant	58525	1,360	1,000	360
Law School Outreach	58615	-	1,000	(1,000)
Mini-CLE Expense	58620	1,500	1,500	-
Website Expenses	58675	-	10,000	(10,000)
TOTAL DIRECT EXPENSES:		13,866	20,419	(6,553)
TOTAL ALL EXPENSES:		13,866	20,419	(6,553)
NET INCOME (LOSS):		(1,161)	(10,219)	9,058
30485 Fund Balance - Int'l Practice		20,041	21,202	

**Washington State Bar Association
Budget FY23 and FY22 Comparison**

SIP-Intellectual Property Law	GL Acct #			
		Budget FY2023 v2	Budget FY2022 v3	Comparison
REVENUE:				
Interest - Investments	40500	900	250	650
Mini-CLE Revenue	41805	1,240	770	470
Seminar Splits w/CLE	41850	7,900	4,900	3,000
Section Dues Revenue	48200	21,375	20,875	500
TOTAL REVENUE		31,415	26,795	4,620
			-	
DIRECT EXPENSES:				
Awards	58175	50	-	50
Executive Committee Expenses	58300	2,000	1,000	1,000
Ldship/Prof Develop/Retreats	58325	-	1,000	(1,000)
Membership & Recruiting Exp	58350	2,780	2,000	780
Per Member Charge	58400	15,099	15,180	(81)
Reception/Forum Expense	58450	3,750	3,750	-
Scholarships/Donations/Grant	58525	12,000	7,500	4,500
Law School Outreach	58615	1,000	500	500
Mini-CLE Expense	58620	1,500	1,500	-
Seminar Expense - Sections	58625	9,500	6,500	3,000
TOTAL DIRECT EXPENSES:		47,679	38,930	8,749
TOTAL ALL EXPENSES:		47,679	38,930	8,749
NET INCOME (LOSS):		(16,264)	(12,135)	(4,129)
30480 Fund Balance - Intellect Pro		61,575	77,839	

**Washington State Bar Association
Budget FY23 and FY22 Comparison**

SJUV-Juvenile Law	GL Acct #	Budget FY2023 v2	Budget FY2022 v3	Comparison
REVENUE:				
Interest - Investments	40500	120		120
Section Dues Revenue	48200	4,830	4,500	330
TOTAL REVENUE		4,950	4,500	450
DIRECT EXPENSES:				
Conference Calls	50165	150	150	-
Executive Committee Expenses	58300	500	500	-
Honorarium	58315	2,000	-	2,000
Ldship/Prof Develop/Retreats	58325	1,500	1,000	500
Membership & Recruiting Exp	58350	250	250	-
Per Member Charge	58400	2,437	2,500	(63)
Scholarships/Donations/Grant	58525	2,060	-	2,060
Mini-CLE Expense	58620	500	500	-
Seminar Expense - Sections	58625	800	1,000	(200)
TOTAL DIRECT EXPENSES:		10,197	5,900	4,297
TOTAL ALL EXPENSES:		10,197	5,900	4,297
NET INCOME (LOSS):		(5,247)	(1,400)	(3,847)
30488 Fund Balance - Juvenile Law SE		5,377	10,624	

**Washington State Bar Association
Budget FY23 and FY22 Comparison**

SLAMP-Legal Assistance to Military Personnel	GL Acct #	Budget FY2023 v2	Budget FY2022 v3	Comparison
REVENUE:				
Interest - Investments	40500	190		190
Mini-CLE Revenue	41805	130		130
Section Dues Revenue	48200	2,800	2,625	175
TOTAL REVENUE		3,120	2,625	495
DIRECT EXPENSES:				
Conference Calls	50165	200	200	-
Executive Committee Expenses	58300	50	50	-
Membership & Recruiting Exp	58350	30	-	30
Newsletter/Publication Expense	58375	100	100	-
Per Member Charge	58400	1,413	1,406	7
Scholarships/Donations/Grant	58525	2,000	2,000	-
Mini-CLE Expense	58620	500	500	-
TOTAL DIRECT EXPENSES:		4,293	4,256	37
TOTAL ALL EXPENSES:		4,293	4,256	37
NET INCOME (LOSS):		(1,173)	(1,631)	458
30503 Fund Balance - Legal Services AF		16,002	17,175	

**Washington State Bar Association
Budget FY23 and FY22 Comparison**

SLB-Low Bono	GL Acct #	Budget FY2023 v2	Budget FY2022 v3	Comparison
REVENUE:				
Interest - Investments	40500	70	-	70
Mini-CLE Revenue	41805	3,000	3,000	-
Seminar Splits w/Others	41875	-	500	(500)
Section Dues Revenue	48200	2,400	2,550	(150)
TOTAL REVENUE		5,470	6,050	(580)
DIRECT EXPENSES:				
Conference Calls	50165	140	10	130
Annual or Other Meeting Expens	58125	300	200	100
Attendance at BOG Meetings	58150	300	100	200
Awards	58175	300	50	250
Executive Committee Expenses	58300	350	175	175
Ldship/Prof Develop/Retreats	58325	1,400	1,000	400
Membership & Recruiting Exp	58350	200	200	-
Newsletter/Publication Expense	58375	2,000	2,000	-
Per Member Charge	58400	1,413	1,594	(181)
New Lawyer Outreach	58500	200	200	-
Scholarships/Donations/Grant	58525	900	300	600
Section Special Projects	58600	-	300	(300)
Law School Outreach	58615	200	200	-
Mini-CLE Expense	58620	224	200	24
Seminar Expense - Sections	58625	100		100
TOTAL DIRECT EXPENSES:		8,027	6,529	1,498
TOTAL ALL EXPENSES:		8,027	6,529	1,498
NET INCOME (LOSS):		(2,557)	(479)	(2,078)
30492 Fund Balance - Low Bono		12,486	15,043	

**Washington State Bar Association
Budget FY23 and FY22 Comparison**

SLE-Labor & Employment Law	GL Acct #	Budget FY2023 v2	Budget FY2022 v3	Comparison
REVENUE:				
Interest - Investments	40500	850	-	850
Mini-CLE Revenue	41805	1,390	500	890
Seminar Splits w/CLE	41850	13,450	14,045	(595)
Section Dues Revenue	48200	28,860	28,890	(30)
TOTAL REVENUE		44,550	43,435	1,115
DIRECT EXPENSES:				
Printing & Copying	50070	200	200	-
Conference Calls	50165	180	300	(120)
Executive Committee Expenses	58300	2,000	6,500	(4,500)
Honorarium	58315	1,000	1,000	-
Ldship/Prof Develop/Retreats	58325	15,000	7,500	7,500
Per Member Charge	58400	16,989	18,375	(1,386)
Reception/Forum Expense	58450	3,000	3,000	-
Scholarships/Donations/Grant	58525	22,500	15,000	7,500
Law School Outreach	58615	1,000	1,500	(500)
Mini-CLE Expense	58620	8,000	14,000	(6,000)
Seminar Expense - Sections	58625	5,000	3,000	2,000
TOTAL DIRECT EXPENSES:		74,869	70,375	4,494
TOTAL ALL EXPENSES:		74,869	70,375	4,494
NET INCOME (LOSS):		(30,319)	(26,940)	(3,379)
30490 Fund Balance - Labor & Employ		37,072	67,391	

**Washington State Bar Association
Budget FY23 and FY22 Comparison**

SLGBT-LGBT Law	GL Acct #	Budget FY2023 v2	Budget FY2022 v3	Comparison
REVENUE:				
Interest - Investments	40500	90		90
Mini-CLE Revenue	41805	200	-	200
Section Dues Revenue	48200	3,570	3,300	270
TOTAL REVENUE		3,860	3,300	560
DIRECT EXPENSES:				
Conference Calls	50165	110	200	(90)
Annual or Other Meeting Expens	58125	200	200	-
Executive Committee Expenses	58300	200	200	-
Honorarium	58315	500	500	-
Membership & Recruiting Exp	58350	2,000	700	1,300
Per Member Charge	58400	2,102	2,063	39
Scholarships/Donations/Grant	58525	200	200	-
Mini-CLE Expense	58620	1,500	1,000	500
Seminar Scholarships	58750	500	500	-
TOTAL DIRECT EXPENSES:		7,312	5,563	1,749
TOTAL ALL EXPENSES:		7,312	5,563	1,749
NET INCOME (LOSS):		(3,452)	(2,263)	(1,189)
30513 Fund Balance - LGBT		4,178	7,630	

**Washington State Bar Association
Budget FY23 and FY22 Comparison**

SLIT-Litigation Law	GL Acct #	Budget FY2023 v2	Budget FY2022 v3	Comparison
REVENUE:				
Interest - Investments	40500	820	100	720
Seminar Splits w/CLE	41850	11,350	3,000	8,350
Section Dues Revenue	48200	30,660	29,700	960
TOTAL REVENUE		42,830	32,800	10,030
DIRECT EXPENSES:				
Conference Calls	50165	170	-	170
Awards	58175	1,500	1,500	-
Breakfast/Lunch/Dinner Mtg Exp	58200	5,500	5,500	-
Executive Committee Expenses	58300	12,750	12,750	-
Ldship/Prof Develop/Retreats	58325	420		420
Membership & Recruiting Exp	58350	1,000	1,000	-
Newsletter/Publication Expense	58375	-	500	(500)
Per Member Charge	58400	18,049	17,998	51
New Lawyer Outreach	58500	600	600	-
Scholarships/Donations/Grant	58525	6,000	6,000	-
Law School Outreach	58615	1,500	1,500	-
Seminar Expense - Sections	58625	750	750	-
TOTAL DIRECT EXPENSES:		48,239	48,098	141
TOTAL ALL EXPENSES:		48,239	48,098	141
NET INCOME (LOSS):		(5,409)	(15,298)	9,889
30500 Fund Balance - Litigation Law		72,590	77,999	

**Washington State Bar Association
Budget FY23 and FY22 Comparison**

SRPPT-Real Property, Probate & Trust	GL Acct #	Budget FY2023 v2	Budget FY2022 v3	Comparison
REVENUE:				
Interest - Investments	40500	650	-	650
Seminar Splits w/CLE	41850	44,745	71,424	(26,679)
Section Dues Revenue	48200	56,650	56,875	(225)
TOTAL REVENUE		102,045	128,299	(26,254)
			-	
DIRECT EXPENSES:				
Conference Calls	50165	200	150	50
Attendance at BOG Meetings	58150	-	1,000	(1,000)
Executive Committee Expenses	58300	10,000	10,000	-
Executive Comm Exp - Other	58305	23,000	16,000	7,000
Ldship/Prof Develop/Retreats	58325	30,000	20,000	10,000
Legislative/Lobbying	58326	-	500	(500)
Membership & Recruiting Exp	58350	1,000	500	500
Newsletter/Publication Expense	58375	2,000	2,000	-
Per Member Charge	58400	40,018	41,360	(1,342)
New Lawyer Outreach	58500	1,500	1,000	500
Scholarships/Donations/Grant	58525	8,000	7,000	1,000
Law School Outreach	58615	1,000		1,000
MinI-CLE Expense	58620	-	224	(224)
Seminar Expense - Sections	58625	1,180	6,000	(4,820)
Website Expenses	58675	4,040	5,000	(960)
TOTAL DIRECT EXPENSES:		121,938	110,734	11,204
TOTAL ALL EXPENSES:		121,938	110,734	11,204
NET INCOME (LOSS):		(19,893)	17,565	(37,458)
 30505 Fund Balance - RProp, Prob, Tst		152,313	172,206.24	

**Washington State Bar Association
Budget FY23 and FY22 Comparison**

SSEN-Senior Lawyers	GL Acct #	Budget FY2023 v2	Budget FY2022 v3	Comparison
REVENUE:				
Interest - Investments	40500	90	100	(10)
Mini-CLE Revenue	41805	2,720	2,500	220
Section Dues Revenue	48200	5,550	6,250	(700)
TOTAL REVENUE		8,360	8,850	(490)
DIRECT EXPENSES:				
Conference Calls	50165	250	250	-
Executive Committee Expenses	58300	500	1,000	(500)
Newsletter/Publication Expense	58375	1,800	1,250	550
Per Member Charge	58400	3,921	4,688	(766)
TOTAL DIRECT EXPENSES:		6,471	7,188	(717)
TOTAL ALL EXPENSES:		6,471	7,188	(716)
NET INCOME (LOSS):		1,889	1,663	226
30510 Fund Balance - Senior Lawyers		17,026	15,137	

**Washington State Bar Association
Budget FY23 and FY22 Comparison**

SSSP-Solo & Small Practice	GL Acct #	Budget FY2023 v2	Budget FY2022 v3	Comparison
REVENUE:				
Interest - Investments	40500	900	-	900
Mini-CLE Revenue	41805	5,000	5,000	-
Section Dues Revenue	48200	31,500	31,500	-
TOTAL REVENUE		37,400	36,500	900
DIRECT EXPENSES:				
Conference Calls	50165	190	350	(160)
Attendance at BOG Meetings	58150	-	100	(100)
Executive Committee Expenses	58300	270	1,000	(730)
Ldship/Prof Develop/Retreats	58325	5,000	5,000	-
Membership & Recruiting Exp	58350	3,000	3,000	-
Per Member Charge	58400	15,894	16,875	(981)
Scholarships/Donations/Grant	58525	1,200	1,000	200
Section Special Projects	58600	1,500	1,500	-
Mini-CLE Expense	58620	2,500	3,000	(500)
Seminar Expense - Sections	58625	5,000	5,000	-
Website Expenses	58675	4,000	1,750	2,250
Seminar Scholarships	58750	2,000	2,000	-
TOTAL DIRECT EXPENSES:		40,554	40,575	(21)
TOTAL ALL EXPENSES:		40,554	40,575	(21)
NET INCOME (LOSS):		(3,154)	(4,075)	921
30495 Fund Balance - Solo Small Prac		88,124	91,278	

**Washington State Bar Association
Budget FY23 and FY22 Comparison**

STAX-Taxation Law	GL Acct #	Budget FY2023 v2	Budget FY2022 v3	Comparison
REVENUE:				
Interest - Investments	40500	560		560
Annual or Other Meeting Rev	41500	2,000	2,000	-
Mini-CLE Revenue	41805	360	500	(140)
Section Dues Revenue	48200	12,460	12,460	-
TOTAL REVENUE		15,380	14,960	420
DIRECT EXPENSES:				
Conference Calls	50165	100	-	100
Annual or Other Meeting Expens	58125	10,000	10,000	-
Awards	58175	400	400	-
Executive Committee Expenses	58300	2,000	2,000	-
Membership & Recruiting Exp	58350	1,500	2,000	(500)
Per Member Charge	58400	11,002	11,681	(679)
Reception/Forum Expense	58450	4,500	4,500	-
Scholarships/Donations/Grant	58525	5,000	5,000	-
Section Special Projects	58600	6,000	6,000	-
Mini-CLE Expense	58620	500	500	-
Seminar Expense - Sections	58625	4,000	4,000	-
TOTAL DIRECT EXPENSES:		45,002	46,081	(1,079)
TOTAL ALL EXPENSES:		45,002	46,081	(1,079)
NET INCOME (LOSS):		(29,622)	(31,121)	1,499
30515 Fund Balance - Taxation Law		(17,127)	12,495	

**Washington State Bar Association
Budget FY23 and FY22 Comparison**

SWP-World Peace Through Law		GL Acct #		
		Budget FY2023 v2	Budget FY2022 v3	Comparison
REVENUE:				
Interest - Investments	40500	200		200
Mini-CLE Revenue	41805	-	1,500	(1,500)
Seminar Splits w/CLE	41850	875		875
Section Dues Revenue	48200	3,870	4,020	(150)
TOTAL REVENUE		4,945	5,520	(575)
			-	
DIRECT EXPENSES:				
Conference Calls	50165	10	500	(490)
Awards	58175	500	500	-
Executive Committee Expenses	58300	150	150	-
Membership & Recruiting Exp	58350	1,000	1,000	-
Per Member Charge	58400	2,278	2,531	(253)
Reception/Forum Expense	58450	500	500	-
Scholarships/Donations/Grant	58525	3,000	3,000	-
Section Special Projects	58600	200	200	-
Law School Outreach	58615	100	100	-
Mini-CLE Expense	58620	1,490	1,500	(10)
Seminar Expense - Sections	58625	1,500	1,500	-
TOTAL DIRECT EXPENSES:		10,728	11,481	(753)
TOTAL ALL EXPENSES:		10,728	11,481	(753)
NET INCOME (LOSS):		(5,783)	(5,961)	178
 30520 Fund Balance - World Peace		 9,874	 15,657	

FISCAL POLICY REVISION

2nd Read - BOARD OF GOVERNORS

September 22, 2022



REVIEW OF SUBSTANTIVE CHANGES TO FISCAL POLICIES

WSBA Fiscal Matrix

- Change ED limit for reallocating unbudgeted and budgeted expenditures – changed to 5% of approved operating budget to match Roles and Responsibilities Policy adopted by Board of Governors in November, 2021. (Pages 13, 18) – One time limit of \$215,000 and must notify President. Cannot affect annual budget's bottom line.
- Change to B&A limit for reallocating unbudgeted and budgeted expenditures – changed from over 5% up to 10% of approved operating budget to match Roles and Responsibilities Policy adopted by Board of Governors in November, 2021. (Page 16) – One time limit of \$430,000. Cannot affect annual budget's bottom line.
- Clarified Board of Governors approves Staff Compensation Policy and ED approves salaries within the approved policy. (Page 18)
- Changed verbiage for Long Term Leases to “for WSBA Office Space and other real estate. (Page 18)
- Changes supplemental budget requests for sections in excess of 25% of expense budget or \$1,000.00 to be approved by Executive Director. (Pages 13, 18)

REVIEW OF SUBSTANTIVE CHANGES TO FISCAL POLICIES

Deferred Litigation Expenses and Reserve Funds

- Changed minimum balance of Operating Reserve Fund from \$1.5M to \$2.0M. (Page 47)
- Changed minimum balance of Facilities Reserve Fund from \$550k to \$1.0M. (Page 47)
- Added a License Fee Stability Fund which may be used to offset revenue shortages during a budget cycle. (Page 47)
- Added a Special Projects and Innovation Fund to provide funding for development of new and innovative programs, projects, and products. (Page 47)

REVIEW OF SUBSTANTIVE CHANGES TO FISCAL POLICIES - Expense Reimbursements

- Will encourage adherence to Federal Per Diem limits for meals but will apply reasonable and prudent standard to allow for overages of those amounts with any determinations of reasonableness (above federal per diem rates) to be escalated to Director of Finance and the appropriate Department Director (mirrors OSB's policy) (Page 62) *will ensure expense forms are updated*
- Raised limits for lodging from \$175 per night to \$200 per night outside of Seattle and from \$200.00 per night to \$225.00 per night in Seattle. Also clarified that allowance for exceptions can be made by Department Directors if no lodging below the limits is available in the area (using reasonableness standard). (Page 62)
- Added reimbursement for remote lunches "if a remote meeting of four hours or more is scheduled through a meal period." (Page 63)
- Added Past President and Treasurer as eligible to attend three national conferences plus Western States Bar Conference and added Past President and Treasurer as able to attend Northwest Bar Leaders Meeting. (Page 69)
B&A recommended this change at 8/17/22 meeting
- Reworded ABA Delegate expense reimbursements to "reasonable" after accounting for reimbursements from the ABA. *new addition from first read*

ORGANIC REVIEW OF POLICY

- This policy review is an organic process that should take place every two years to assure compliance with accounting principles and best practices.



Washington State Bar Association Fiscal Policies and Procedures Manual

~~October 16, 2019~~ New
Date TBD

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Introduction (Policy)

Purpose

The WSBA Fiscal Policies and Procedures Manual (Manual) contains all WSBA fiscal policies and procedures. ~~This-The fiscal policies encompass~~ ~~encompasses~~ the rules by which financial transactions are classified and reported. ~~The goal of these policies and procedures is to establish-ensure~~ ~~accountability and regulatory compliance policies, financial and sound financial management and data integrity policies/practices and data integrity policies.~~ The Manual is available to all WSBA employees, ~~Board Of Governors and volunteers~~ to promote organization-wide adherence to documented policies and procedures ~~and to abide with standard accounting practices. Except for f~~ ~~The~~ fiscal policies ~~that herein~~ must be approved by the Board of ~~Directors-Governors as expressly indicated in this Manual, and~~ all fiscal ~~policies and~~ procedures set forth herein may be updated by the Executive Director and/or ~~Chief Financial Officer~~ ~~Director of Finance~~ from time to time as procedures, information, or Generally Accepted Accounting Principles change.

Fiscal Year

The WSBA's fiscal year is October 1 through September 30.

Basis of Accounting

During the fiscal year, the WSBA uses a **combination of cash and accrual accounting**. The following items are recorded on a cash basis:

- Bar exam fees
- MCLE fees
- CPF assessment fees
- Miscellaneous revenue (Recovery of Discipline Costs, Diversions, Practice Fees, etc.)
- CLE seminar expenses
- Most other WSBA expenses

The following items are recorded on an accrual basis monthly:

- License fees
- CLE product sales revenue and cost of goods sold
- CLE seminar revenue
- Rent
- Insurance
- Personal Property Taxes
- Most payroll-related expenses
- Credit Card Expenses

~~WSBA Financial Statements are prepared For annual financial reports, the WSBA uses the on an accrual basis of accounting. Accrual accounting is an accounting method where revenue or expenses are recorded when a transaction occurs versus when payment is received or made. Therefore, items that that may have already been paid and booked as an expense, but for which the corresponding revenue has not been collected or the benefit has not been received, will be moved to "Deferred Costs." Revenue that has not yet been earned will be moved into "Deferred Revenue."~~

Commented [AF1]: Suggestions: I think we need header and footer to denote the dates when the policy were put in place, updated and approved. Other historical information can be inserted there. -- my 2 cents!

Commented [TN2]: It is possible we have some policies/procedures that might be considered "fiscal" elsewhere. The employee handbook comes to mind and I'm also wondering about some procedure guidelines around handling cash? credit card numbers.

Commented [AF3]: Let me know if this is surplusage.

Commented [AF4]: My hope is that accountability and regulatory compliance policies here will encompass matters that help avoid conflicts of interests and other requirements of behavior and/or disclosure required by law. Financial management board are those established by the Board of Governors and executive directors i.e allowable ranges for specific financial indicators or ratios, e.g purchasing, risk management, internal financial controls etc. Data integrity policies involves privacy, confidentiality, records retention, separation of duties, data back up etc. We can put this in definition sections. I hope as we go through the policy that each item can be conveniently located under these 3 basic categories.

Commented [AF5]: Shouldn't we include Board of Governor? Some of the policy is directed at BoG. I think it should be available to all BoG

Commented [AF6]: Is this not necessary? I am hoping that we can have in footnotes reference to Faz-Bee: Financial Accounting Standards Board. I

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Commented [JP7]: Take the terms and define them in a separate Notes section

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Commented [JP8]: I think this whole second sentence doesn't make a lot of sense.

Commented [AF9]: I agree. May be take "Deferred Costs" and "Deferred Revenue" to a definitions of terms section? If this is meant to address temporarily restricted funds for some services that has not yet been performed we should spelt it at the correct section, otherwise just delete.

Commented [KP10R9]: I added a definition of accrual accounting.

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WSBA's Internal Control System (Policy)

~~This Manual is part of the WSBA's internal control system.~~ An effective internal control system encourages adherence to prescribed policies; promotes operational efficiencies; protects the business assets from waste, fraud, and theft; and ensures accurate and reliable accounting data. The goal of this internal control system policy is to ensure that duties of individuals are separated so that no one person handles an entire transaction from beginning to end.

The broad principles of internal control are:

- Responsibilities should be clearly identified and established, with one person responsible for each task.
- Adequate records should be maintained. Good records are an important means of protecting assets, ~~ensuring, ensuring~~ that employees follow prescribed procedures, and ~~providing—managementproviding~~ ~~withmanagement with reliable informationreliable information~~ to monitor business operations.
- Assets should be safeguarded, protected and insured.
- ~~Record keeping should be separated from custody, Segregation of duties requires, Accounting records-keeping be separated that from the person who has access to or is responsible for an asset should not maintaining the accounting record for that the asset.~~ ~~To ensure data integrity, staff responsible for accounting records keeping duties shall be separate and distinct from those responsible for maintaining the asset, be it a physical asset or a virtual asset such as CC credit card information.~~
- Responsibility for related transactions should be divided. This provides checks and balances for the related tasks (i.e., the work of one employee acts as a check on another).
- Computerized and mechanical devices should be used whenever possible as they reduce the human error and intentional inaccuracy in routine tasks.
- Regular reviews of the system of internal controls should be conducted, to ensure organizational compliance with policies and procedures.

See Chapter 8 for more details on the WSBA's internal control policies.

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Commented [AF11]: Here is my suggested edit.

Commented [KP12]: Assuming CC means credit card (maybe Cost Center?). These should be spelled out instead of abbreviated.

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Commented [JP13]: I think the highlighted portion should be reworded.

Commented [AF14]: See my suggested edits.

Chapter 1: Key Fiscal Policies

Rationale: Key Fiscal Policies are enacted to ensure there is support and rules for operational actions where the fiscal integrity of the WSBA may be at risk. Key Fiscal Policies also intend to ensure a consistent treatment of matters as they relate to fiscal operations of the WSBA.

Responsibility for WSBA Finances

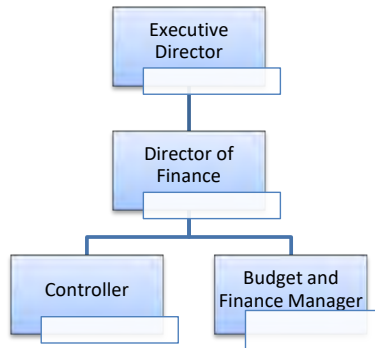
Fiscal Management

The Budget and Audit Committee of the Board of Governors oversees budgeting and financial matters of the Bar. The Chief Financial Officer/Director of Finance serves on the Budget and Audit Committee and is in charge of the Bar's financial operations.

WSBA management is responsible for producing complete, accurate financial statements. The Finance and Administration Department is delegated the responsibility to implement WSBA's fiscal policies by performing the accounting and finance bookkeeping functions for the WSBA.

Department directors are responsible for preparing their department/cost center budgets, monitoring their monthly financial statements, reviewing back up for accuracy, collecting revenue or receivables related to their cost centers, approving expenses, and enforcing the WSBA's expense policies. These tasks may be delegated to others, but department directors are ultimately responsible for the fiscal issues related to their departments.

The structure of the Finance and Administration Department is set forth below (these persons-positions are referred to throughout the Manual):



Commented [KP15]: Should refer to positions not people.

Board of Governors

With ultimate responsibility for the fiscal health of the WSBA, the Board of Governors approves or sets all *significant* fiscal policies. The following policies are deemed to be significant and must be approved by the Board of Governors:

- Budget and Audit Committee Charter (Chapter 1)
- Approval of the Fiscal Responsibilities Matrix (Chapter 1)
- Budget Policies ~~and Process~~ (Chapter 1)
- Selection of Independent Auditors (Chapter 1)
- Investment Policy (Chapter 2)
- Resolution Authorizing Banking Relationships (Chapter 2)
- Unrestricted and Restricted Fund Balance Policy (Chapter 4)
- General Expense Reimbursement Policy dollar limits for meals and lodging and Philosophy (Chapter 6) if not aligned with IRS guidance (Chapter 6)
- Purchase of Alcohol for Bar Functions (Chapter 6)
- Expense Policies for the WSBA Officers and Board of Governors (Chapter 6)
- Executive Director Expense Policies (Chapter 6)
- ~~And~~ Any other policies that may be approved and established by the Board of Governors from time to time to ensure sound accounting principles and good governance

Commented [KP16]: Flagging this because we will want to discuss options for reimbursement limits – One option would be to follow the IRS established per diem limits and the other would be to set our own limits above the IRS per diem limits. I think we are recommending to encourage employees and volunteers to follow federal guidelines but allow above them so long as reasonable given the context of the business need for the expense.

Commented [TN17]: I don't think that everything within these chapters is/should be considered policy. The section "Budget Policies and Process" is a mix of both (right there in the title). I suggest we get more specific in identifying what is policy.

Board of Governors Budget and Audit Committee Charter (Policy)

Rationale

~~Establish a committee to make recommendations to the Board of Governors on financial matters and take actions as empowered by the Board of Governors and as outlined in the Fiscal Responsibilities Matrix. Some of these duties are noted below.~~

Rationale Purpose

The purpose of the Budget and Audit Committee is to take actions as empowered by the Board of Governors and review and make recommendations to the Board of Governors on financial matters of the WSBA as outlined in the Fiscal Responsibilities Matrix as noted in this policy.

Composition

The voting members of the Budget and Audit Committee shall consist of the following: at least one governor from each class, not to exceed seven governors, one of whom shall be the Treasurer; the President; and President-elect. ~~Up to two additional non-Board of Governor voting members may be appointed by the President subject to the approval of the Board of Governors.~~ The Executive Director and ~~Chief Financial Officer~~ Director of Finance shall serve as *ex officio*, non-voting members of the Budget and Audit Committee. The Board of Governors elects the Treasurer of the WSBA, who also serves as chair of the Budget and Audit Committee.

Purpose

~~The purpose of the committee is to take actions as empowered by the Board of Governors and review and make recommendations to the Board of Governors on financial matters of the WSBA as outlined in the Fiscal Responsibilities Matrix. Some of these duties are noted below:~~

Activities Duties

Annual Budget and Long Range Financial Planning

1. Review and revise drafts of the WSBA's annual budget and recommend approval of a final budget to the Board of Governors.
2. Review long-range financial projections and the revenues, including member license fees, needed to meet long-range needs. Make recommendations to the Board of Governors for increases in license fees when necessary.
3. ~~Prepare and deliver~~ Recommend to the Board of Governors as needed timely forecasts for the year including annualized impacts of unforeseen matters to the current budget.
- 2.4. ~~Prepare Fiscal Analysis~~ Review and deliver for fiscal analysis of any unbudgeted programs or projects sanctioned by the Board of Governors throughout the Fiscal Year

Approvals

1. Approve ~~ed~~ expenditures within limits and parameters set forth in this policy as well as the Fiscal Responsibilities Matrix.

Financial Reports

1. ~~Review monthly~~ On a monthly basis, review the interim management financial reports and report highlights, key information, major variances from budget, and any concerns ~~to~~ of the Board of Governors. Recommend corrective action ~~is~~ needed.
2. Review the preliminary year-end management financial reports and report results compared to budget to the Board of Governors.
3. Review status and performance of investments per the WSBA Investment Policy.

Annual Audit

1. Recommend to the Board of Governors the engagement of the independent auditors to perform the

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Commented [AF18]: I don't know why you deleted the original purpose section? Could you explain? The Committee purpose is important in the making of the fiscal policy.

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Commented [KP19]: Flagging to discuss whether this should stay in. History and rationale?

Commented [JP20]: Do we want to keep this in the policy? Do we have non BOG voting members on the committee right now?

Commented [AF21]: I propose deletion of this sentence. Non-BOG members do not have fiduciary responsibilities to the organization.

Commented [JP22]: Agree Delete this sentence

Commented [KP23]: This title may change?

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Commented [KP24]: I don't think the word should be "prepare"....the committee members do not prepare financials although they may prepare memos to the Board to accompany financial forecasts with a recommendation.

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Commented [KP25]: Same concern....committee members don't prepare financials but they do review and recommend.

annual audit of the WSBA's financial statements.

2. Meet annually with the independent auditors to receive their report on the audit of the financial statements and review their recommendations for improvements on internal controls.
3. Recommend to the Board of Governors the engagement of independent auditors/~~accountants~~ to perform other reviews, when deemed appropriate.

Recommend ~~Changes to and New~~ Significant Financial Policies

1. Recommend to the Board of Governors the WSBA's Investment Policy.
2. Recommend to the Board of Governors the WSBA's Fiscal Policies.

Commented [KP26]: I'm not sure the additional wording adds anything.

Quorum

A quorum shall consist of a ~~simple~~ majority of the voting members.

Budget and Audit Facilities Advisory ~~Sub-Committee~~ Charter (Policy)

Commented [AF27]: I think we should call them subcommittee to avoid confusion

Purpose

The purpose of the Facilities Advisory ~~sSub-Committee~~ is to advise the Budget and Audit Committee on issues related to the WSBA's facility needs (i.e., lease or ownership of real estate to meet WSBA operational needs). The Sub-committee shall seek to examine how efficiently WSBA facilities are being used, how much revenue is being generated through the use of buildings and equipment, track the condition of assets and suggest adequate funds to be earmarked for replacement or repair so as to avoid unexpected expenses for which ~~there may not be funds~~ funds may not be readily at hand from current revenue. The Facilities Advisory Committee is an advisory sub-committee only and has no decision-making authority.

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Composition

The voting members of the Facilities Advisory ~~Sub-Committee~~ and associated terms are as follows:

- Treasurer (chair/1-year term);
- Executive Director (permanent member);
- ~~Chief Financial Officer~~ Director of Finance (employee liaison/~~p~~ employee liaison/~~permanent~~ member);
- ~~Two~~ One members of the Budget and Audit Committee (1-year term)

Commented [KP28]: This should stay to be clear who on staff will liaison to the committee.

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Commented [KP29]: This was defined in the way it is to ensure a good cross section of advice from experts in the field. Do we want to intentionally limit this to only one?

• The Facilities and Advisory Subcommittee shall endeavor to seek guidance and counsel from experts in the area of Real Estate when considering key matters as defined by the Chair. These areas of expertise include but are not limited to:

- No fewer than three representatives from the real estate industry who have expertise in one or more of the following areas (2-year terms):
- A representative No fewer than three representatives from the real estate industry with experience in various one or more of the following (2 year terms):
 - Real estate law (i.e., real estate attorney);
 - Commercial real estate brokerage, especially the downtown Seattle and regional real estate markets;
 - Commercial real estate appraisal;
 - Commercial construction management;
 - Architecture and/ or space ~~planning; and~~ planning
 - Commercial real estate lending.

Conflict of Interest

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No voting member of the Facilities Advisory Committee will be eligible for any business contract or other business arrangement with the Washington State Bar Association relating to any matter that is within the scope of the sub-Committee's activities, so as to avoid any conflict of interest. No former voting member of the Facilities Advisory sub-Committee will be eligible for any business contract or other business arrangement with the Washington State Bar Association relating to any specific transaction or proposed transaction that was considered by the Committee while that person was a voting member.

All voting members of the Facility Advisory ~~sSub-committee~~ will be bound by the Board of Governors Conflict of Interest policy as amended.

Appointment Process

The Treasurer, Executive Director, and Chief Financial Officer shall serve as ~~ex officio~~ members. The members of the sub-committee shall be appointed from the current members of the Budget and Audit Committee shall be

Commented [TN30]: I always thought that "ex officio" meant non-voting so I thought that this conflicted with the statement above that these are voting members of this subcommittee. I looked it up and see that "ex officio" only means "as a result of one's status or position". Just flagging in case others have the same confusion. Also, this paragraph seems largely redundant. Could we incorporate who appoints under composition, above?

~~appointed by the Treasurer. The representatives from the real estate industry shall be appointed by the President (the terms shall be staggered so that each President appoints at least one member during his/her term).~~

Purpose

~~The purpose of the Facilities Advisory Committee is to advise the Budget and Audit Committee on issues related to the WSBA's facility needs (i.e., lease or ownership of real estate to meet WSBA operational needs). The Facilities Advisory Committee is an advisory committee only and has no decision making authority.~~

Activities

WSBA Facilities Strategy

1. Define and periodically review the facilities needs of the WSBA.
2. Identify key facilities decisions to be taken over a 10-year period and relevant market factors.
3. Review current and future estimated real estate market conditions and analyze how these conditions may affect the WSBA's decisions in connection with the ownership and/or lease of real estate.
4. Review proposed options and provide recommendations for dealing with end-of-lease and other transition issues, such as, for example, whether to renew the existing lease or look for new space and considerations relating to relocation of WSBA offices and other functions.
- 4-5. ~~Twice a year the advisory committee will update the Budget and Audit committee with any matters related to the facilities.~~

WSBA Facilities Reserve Fund

1. Periodically review the balance in the Facilities Reserve Fund and analyze whether such balance is prudent and adequate in relation to identified needs and decisions, current market conditions, future market projections, time remaining until the end of current lease, etc.
2. Make recommendations as to target Facilities Reserve Fund balances at future points in time, and suggest strategies and/or funding policies for meeting those targeted balances.

Quorum

~~A quorum shall consist of a majority of the voting members~~

Commented [KP31]: The appointment of the real estate industry representatives should be defined. If not the stricken process then another should be identified.

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WSBA Facilities Reserve Fund

1. Periodically review the balance in the Facilities Reserve Fund and analyze whether such balance is prudent and adequate in relation to identified needs and decisions, current market conditions, future market projections, time remaining until the end of current lease, etc.
2. Make recommendations as to target Facilities Reserve Fund balances at future points in time, and suggest strategies and/or funding policies for meeting these targeted balances.

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Quorum

A quorum shall consist of a majority of the voting members.

Fiscal Responsibilities Matrix (Policy)

The objective of the Fiscal Responsibilities Matrix is to set forth levels of authority that will be followed by the WSBA to promote transparency and appropriate internal controls. The Fiscal Responsibilities Matrix should also assist in providing an efficient management structure, transparency, and appropriate oversight of the Bar's financial activity.

Executive Director

According to WSBA bylaws, the Executive Director is responsible for managing the office and activities of the Bar under the direction of the Board of Governors, with power to employ and compensate employees within limits of the budget. In terms of managing the budget, the following guidelines shall apply (Note: approval authority may be exercised or delegated to the next higher authority at the discretion of the decision-maker):

Executive Director

~~The~~ Authority: The Executive Director is authorized to establish deposit and credit relationships, withdraw WSBA funds from banks, sign checks, and invest excess cash. Signatory authority may be delegated to any department director(s), except the Chief Financial Officer/Director of Finance.

Commented [KP32]: The CFO or Finance Director should not be a signatory on checks. This is a check and balance issue.

The authority to make bank deposits, invest funds in accordance with the Investment Policy, and transfer funds between established accounts may be delegated to the Chief Financial Officer and appropriate accounting and finance employees following sound internal control practices.

Executive Director Required Approvals:

~~(Note: Executive Director may delegate approval authority to Directors or other employees as appropriate): es. (Note: Executive Director may delegate approval authority to directors and other employees, as appropriate):~~

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- reimbursement requests – may reject or modify requests to comply with expense policies

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Delegation includes

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- service and program fees, including:
 - advertising rates
 - fees for copies of the WSBA's public records
 - fees for sale of member contact information
 - sales price of the Resources directory
 - sales price of CLE and WSBA publications
 - sales price of other WSBA merchandise
 - miscellaneous fees
- adjustments to employee salaries within the aggregate approved budget dollars adopted compensation plan
- in-kind contributions of WSBA to the Washington State Bar Foundation, or as a condition of applying for grant funds
- grants to WSBA, including negotiations of administrative fees

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Commented [JP33]: Do we really do this?

Commented [KP34R33]: Yes RSD provides mailing lists to some organizations.

- Approving and reporting to the Board of Governors about certain unbudgeted expenses, including, reallocations of budgeted expenditures where the intent is similar or varies slightly; unbudgeted expenditures that are fully offset by unbudgeted revenue or a reallocation of budgeted expenditures up to 5% of the approved operating budget to address operational, regulatory or programmatic needs; and necessary and prudent expenditures to implement WSBA's Disaster Recovery Plan or to maintain WSBA's operations. Per occurrence limit is \$215,000.00. Prior to taking action the Executive Director must notify the President and after taking action must report the reallocation of funds to the Board. ~~Unbudgeted expenditures that are offset by unbudgeted revenue up to \$25,000~~ Reallocations may not affect the annual budget's bottom line.

Reallocation of budgeted expenditures up to \$50,000 for the year.

- , or reallocations of budgeted expenditures where there is a change of intent (this includes approval of new programs and significant expansion of existing programs, but does not include long-term commitments or future obligations of the WSBA), up to \$10,000 per item, or up to \$50,000 collectively during the fiscal year, where the overall bottom line of the annual budget is not affected.

Supplemental budget requests from sections that exceed 25% of the section's annual expense budget or \$1,000, whichever is greater.

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Commented [KP35]: Changed these amounts to align with the Roles and Responsibilities Policy document that was approved by the Board in November 2021 which states in part:

Approving and reporting to the Board of Governors about certain unbudgeted expenses, including, reallocations of budgeted expenditures where the intent is similar or varies slightly; unbudgeted expenditures that are fully offset by unbudgeted revenue or a reallocation of budgeted expenditures up to 5% of the approved operating budget to address operational, regulatory or programmatic needs;

Commented [KP36]: ADDED IN PER OCCURRENCE LIMITS AND NOTIFICATION TO PRESIDENT

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Commented [KP37]: Moved this from Treasurer to ED.

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- ~~reallocations~~ Reallocations of operational budgeted expenditures up to \$20100,000 so long as the intent of the budgeted expenditure is similar (i.e. expenses are within the same CC or for a different CC with similar purpose) or varies slightly (these types of expenditures and decisions are operational in nature)
- Binding the WSBA to future expenses, as in contracts and agreements, for budgeted or operational expenses
- Engagement of independent auditor selected for the up to six year period, annually; or may initiate the selection of the competitive bid process
 - Fiscal policies, where indicated in the specific policy

Commented [KP38]: Folded into bullet point above regarding allocation of 5% of operating budget.

In the event of an emergency and when it is not feasible to get the approval of the Budget and Audit Committee or the Board of Governors, the Executive Director and/or Treasurer shall have the authority to approve expenditures that are necessary and prudent in order to ~~implement the WSBA's Disaster Recovery Plan (e.g., natural disaster)~~ or keep the WSBA operational in the case of an emergency (e.g., if the WSBA's computer network crashed or an event which triggers the established disaster recovery plan). These expenditures may be beyond the capital or operating budgets, and may or may not impact the WSBA's reserves. The Board of Governors shall be immediately notified by the Treasurer or Executive Director when expenditures of this nature are authorized.

Commented [TN39]: What if the Treasurer isn't available? I think this should be either the Treasurer or the ED - whomever authorized the spending.

Treasurer

Chairs the Budget and Audit Committee, is authorized to establish deposit and credit relationships, withdraw WSBA funds from banks with a dual signature, and sign checks.

Reviews/Approves:

~~appeals to Executive Director's decision to reject or modify an expense reimbursement request~~

Commented [KP40]: It may be a good idea to retain an appeal process?

- ~~the~~ Executive Director's credit card charges, reports of expenses, payroll reports, and fringe benefits (quarterly)
- ~~the~~ Year-to-date vendor payment listing (quarterly; added September 2016) as part of the monthly financial statements review
- ~~supplemental budget requests from sections that exceed 25% of the section's annual expense budget or \$1,000, whichever is greater~~

Commented [KP41]: This was included in the ED approvals which makes sense. If the Board should decide to keep it with the Treasurer then the ED approvals should allow for some lower amount to be approved by the ED.

MCLE Board

Recommends to the Board of Governors:

- all MCLE fees for failure to comply with the MCLE rules and to defray the reasonably necessary costs of administering APR 11 (APR 11(d)(2)(v)), including:
 - MCLE accredited sponsor annual fees (APR 11(i)(7))
 - MCLE sponsor activity application fees and late fees (APR 11(g)(1))
 - MCLE comity fees (APR 11(c)(6))
 - MCLE compliance late fees (APR 11(i)(4))

CLE Board (commonly referred to as the MCLE Board)?

Establishes/Approves:

- MCLE fees and fines for failure to comply with accredited sponsor reporting requirements (APR 11 Reg. 106(d))

Recommends to the Board of Governors:

- MCLE accredited sponsor application fees (APR 11 Reg. 106(b))

- MCLE Form 1 fees (APR 11 Reg. 105(d))

- MCLE fees and fines for failure to comply with rules and regulations regarding course accreditation and individual member compliance (APR 11.4)

Commented [JP42]: Is this actually the case? MCLE and CLE are separate and distinct.

Commented [KP43]: I think it was established as the CLE Board but it hasn't been referred to that forever. If it hasn't been changed in a charter then it should be officially changes to MCLE Board to avoid confusion with the CLE Committee.

CLE Committee

Recommends to the Board of Governors:

- ~~adjustments to the standard CLE seminar registration fees~~
- eExpenditures from the CLE reserve fund
- Adjustments to the standard CLE seminar registration fees

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Personnel Committee

Recommends to the Budget and Audit Committee:

- Adjustment to employee compensation plan/policy.

~~adjustments to employee compensation plan~~

Recommends to the Board of Governors:

- Compensation of the Executive Director

Client Protection Board (APR 15 Reg. 6)

Client Protection Fund Committee

Approves:

- gifts up to \$25,000 per applicant

Recommends to Board of Governors:

- gifts over \$25,000 per applicant

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CLE Committee

Recommends to the Board of Governors:

- ~~adjustments to the standard CLE seminar registration fees~~
- ~~expenditures from the CLE reserve fund~~

LPO Board

Recommends to Supreme Court

- ~~Examination and annual fees (APR 12 Reg. 2(B); APR 12 Reg. 9))~~

Commented [KP44]: Per Bobby Henry the LPO (and LLLT) application and license fees are all handled the same way as lawyer application and license fees.

Budget & Audit Committee

Reviews the long range financial projections and the revenues, including member license fees, needed to meet long range needs.

Approves:

- ~~Approving and reporting to the Board of Governors about certain unbudgeted expenses, including reallocations of budgeted expenditures where the intent is similar or varies slightly; unbudgeted expenditures that are fully offset by unbudgeted revenue or a reallocation of budgeted expenditures over 5% and up to 10% of the approved operating budget to address operational, regulatory or programmatic needs; and necessary and prudent expenditures to implement WSBA’s Disaster Recovery Plan or to maintain WSBA’s operations. Per occurrence limit is \$430,000.00. Unbudgeted expenditures that are over and above the ED and Treasurer’s approval level offset by unbudgeted revenue, or reallocations of budgeted expenditures where there is a change of intent (this includes approval of new programs and significant expansion of existing programs, but does not include long term commitments or future obligations future obligations of the WSBA), between \$10,001 and \$20,000 per item, or between \$50,001 and \$100,000 collectively during the fiscal year, where the overall bottom line of the annual budget is not affected~~
- ~~Reallocations of budgeted expenditures between \$20,001 and \$50,000 so long as the intent of the budgeted expenditure is similar or varies slightly (these types of expenditures and decisions are operational in nature) over the ED Approval Level. Reallocations may not affect the annual budget’s bottom line.~~
- Business Recovery Plan
- Fiscal policies, where indicated in the specific policy.

Commented [KP45]: The 10% is a suggestion based off of the limits for the ED in the Roles and Responsibilities Policy approved by Board in November, 2021.

~~fiscal policies, where indicated in the specific policy.~~

Recommends to the Board of Governors:

- ~~Bar application and admission fees for all license types (APR3(i)(B), APR5(a)(1))~~
- ~~Bar license fees for all license types (WSBA Bylaws Art. 3 Sec. I, APR 12(f)(3), APR 281.(3))~~ ~~All attorney license fees~~
- ~~Client Protection Fund assessment Lawyers’ Fund for Client Protection assessment~~

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- ~~The annual annual budget and subsequent adjustments over \$25,000 \$50,000 (unbudgeted) or \$50,000, \$100,000 (budgeted reallocations) 10% of approved operating budget.~~
 - ~~Adjustments to the compensation plan (based on recommendation from Personnel Committee)~~
 - ~~Fiscal policies, where indicated in the specific policy~~
 - ~~Investment policy~~
 - ~~Adjustments to the standard CLE seminar registration fees~~
 - ~~Unbudgeted expenditures from reserve funds~~
 - ~~Engagement of the independent auditors for other reviews, when deemed appropriate~~

Commented [KP46]: Based off of the Roles and Responsibilities Policy.

Reviews:

- ~~Monthly financial reports, including revenue and expenditure patterns; reports significant variances to Board of Governors~~
 - ~~Reports of the independent auditors~~

Oversees the process of selecting an independent accounting firm to perform the annual audit, at least once every six years, and makes a recommendation to the Board of Governors.

Board of Governors
Elects the Treasurer

Approves/Sets:

- ~~†~~The annual budget and the following adjustments:
 - ~~‡~~Appropriation requests for expenditures from the unallocated contingency budget
 - ~~‡~~Unbudgeted expenditures over 10% of operating budget
 - ~~Any changes to the bottom line arising from a reallocation or reforecast that are offset by unbudgeted revenue, or reallocations of budgeted expenditures where there is a change of intent (this includes approval of new programs and significant expansion of existing programs, but does not include long-term commitments or future obligations of the WSBA), over \$20,000 per item, or over \$100,000 collectively during the fiscal year, where the overall bottom line of the annual budget is not affected~~
 - ~~reallocations of budgeted expenditures over \$50,000 (where the intent of the budgeted expenditure is similar or varies slightly; these types of expenditures and decisions are operational in nature)~~
 - ~~changes to the annual budget's bottom line~~
 - ~~e~~Expenditures from reserve funds, in accordance with reserve policies
 - ~~f~~Fiscal policies, where indicated in the specific policy
- ~~h~~Investment policy
- ~~b~~anking authorities
- Keller deduction to license fees
- ~~g~~ifts from the Client Protection Fund (CPF) over \$25,000 per applicant
- ~~l~~ong-term leases for WSBA office space or equipment
- ~~e~~lection of independent audit firm
- ~~c~~ompensation of the Executive Director
- ~~s~~standard CLE seminar registration fees
- law clerk program application fees (APR 6(b)(4))

Approves and Sends to the Supreme Court for Information:

- law clerk program enrollment fees (APR 6(d)(1))
- all MCLE fees for failure to comply with the MCLE rules and to defray the reasonably necessary costs of administering APR 11 (APR 11(d)(2)(v)), including:
 - MCLE accredited sponsor annual fees (APR 11(i)(7))
 - MCLE sponsor activity application fees and late fees (APR 11(g)(1))
 - MCLE comity fees (APR 11(c)(6))
 - MCLE compliance late fees (APR 11(i)(4))
- MCLE accredited sponsor application fees (APR 11 Reg. 106(b))
- MCLE Form 1 fees (APR 11 Reg. 105(d))
- MCLE fees and fines for failure to comply with rules and regulations regarding course accreditation and individual member compliance (APR 11.4)

Approves and Sends to the Supreme Court for Review:

- Bar license fees for all license types (WSBA Bylaws Art. 3 Sec. 1, APR 12(f)(3), APR 28l.(3))
- Bar application and admission fees for all license types (APR 3(i)(B), APR 5(a)(1))
- Licensed legal intern application fees (APR 9(d)(3))

Recommends to the Supreme Court:

- ~~a~~All attorney license fees
- CPF assessment
- ~~b~~Bar application and admission fees
- ~~l~~Legal intern fees

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Commented [KP47]: Assuming B&A can approve over 5% and up to 10% of operating budget

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Commented [BH48]: see comment below.

Commented [RG49]: Set by the BOG and subject to Court review

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Commented [RG50]: It is set by the BOG and subject to review by the Court

Law clerk program fee

- ~~fees~~ Reviews/Accepts:
- ~~q~~ Quarterly financial reports
- ~~r~~ Reports of the independent auditors

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Supreme Court

Information:

- law clerk program enrollment fees (APR 6(d)(1))
- all MCLE fees for failure to comply with the MCLE rules and to defray the reasonably necessary costs of administering APR 11 (APR 11(d)(2)(v))

Reviews for Reasonableness (GR 12.2(b)(22)):

- license fees for all license types

Reviews ("subject to review by the Supreme Court"):

- Bar application and admission fees for all license types (APR 3(i)(B), APR 5(a)(1))
- Licensed legal intern application fees (APR 9(d)(3))

Commented [RG51]: Set by the BOG and subject to Court review

Commented [RG52]: It is set by the BOG and subject to review by the Court

~~Reviews for Reasonableness — all attorney license fees~~

~~Approves:~~

- ~~CPF assessment~~
- ~~Bar application and admission fees~~
- ~~Legal intern fees~~
- ~~Law Clerk program fees~~
- ~~LPO examination and annual fees~~

Approves:

- CPF assessment

WSBA FISCAL MATRIX	ED	TREASURER	B & A	BOG	S. Court
All attorney license fees for all license types	Recommends		Recommends	Sets	Reviews for reasonableness
LFC-CPF assessment	Recommends		Recommends	Recommends	Approves
Keller deduction to license fees	Recommends		Recommends	Approves	
Bar application & admission fees for all license types	Recommends		Recommends	Recommends Approves	Approves Subject to Review
Legal intern fees	Recommends		Recommends	Recommends Approves	Approves Subject to Review
Law clerk program enrollment fees	Recommends		Recommends	Recommends Approves	Approves Information
LPO examination & annual law clerk program application fees	Recommends		(LPO Board- Recommends) Recommends	Recommends Approves	Approves
Annual Budget	Recommends		Recommends	Approves	
Expenditures from unallocated contingency in budget	Recommends		Recommends	Approves	
Expenditures from reserve funds	Recommends		Recommends	Approves	
Unbudgeted expenditures offset by unbudgeted revenue, or reallocations of budgeted expenditures where there is change of intent the intent is similar or varies slightly, which do not affect the annual budget's bottom line.	Up to \$10,000/item or up to \$50,000/FY Up to 5% of approved operating budget – up to \$215,000 per occurrence – must notify President and report to the Board		Over the ED approval level Up to \$150,000 10% of annual operating budget – up to \$430,000 per occurrence - must report to the Board \$10,001 – \$20,000/item or \$50,000 – \$100,000/FY	+\$20,000/item or +\$100,000/FY Unlimited	
Reallocation of budgeted expenditures where intent is similar expenditures	\$25,000 per occurrence. Up to \$50,000 for the year. Up to \$20,000		\$20,001 – \$50,000 Over \$25,000 per occurrence and over \$50,000 for the year	+\$50,000	
Changes to annual budget's bottom line	Recommends		Recommends	Approves	
Supp. Sections - budget requests (up to over 25% of the Sections exp. Budget or to a maximum of \$1,000 whichever is greater)	Recommends Approves	Approves			
Check Requests/Expense Reports	Approves within parameters of fiscal policies	Approves Expense Reports Exceptions to policy appeals of ED's decisions		Approves overall expense policies	
Staff compensation plan policy/salary adjustments	Approves salaries within adopted comp. plan policy			Approves overall WSBA comp. plan policy, as presented in the approved budget Approves annual budget.	
Executive Director compensation		Reviews/approves ED expenses/FBs	Personal Committee recommends	Approves	
MCLE set/assess fees/fines or revoke accredited sponsor status per APR 11-105(a)(5)	Recommends		(MCLE Board Approves)		
MCLE fees under APR 11 MCLE accred. sponsor app. fees APR 11 Reg. 105(c)(1)(A); MCLE form 1 fees APR 11 Reg. 104 & 104(a)(1); MCLE fees/fines A-PR 11.4(e)	Recommends		(MCLE Board recommends)	Approves	Information
Adjustments to standard CLE seminar fees	Recommends		(CLE Committee recommends)	Approves	

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Commented [JP53]: I need Elizabeth to rebuild this matrix with the new limits

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Commented [KP54]: I changed the limits to correspond with the Roles and Responsibilities Policy adopted by the BOG in November, 2021.

Commented [KP55]: ADDED NOTIFICATION TO PRESIDENT FOR ED AND PER OCCURRENCE LIMIT (for ED and B&A)

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Service & program fees: ad rates, copies, member contact info., publications, merchandise, and misc.					
Gifts from LFCPCPF			Client Protection Board approves up to \$25,000/applicant (LFCP Committee approves up to \$25,000/applicant)	Approves +\$25,000/applicant	
Grants to WSBA	Approves				
In kind contributions by WSBA	Approves				
Long term leases for WSBA office space and other real estate/equipment	Recommends		Recommends	Approves	
Future obligations for budgeted or operational expenses	Approves				
Business Recovery Plan	Recommends		Approves		
Fiscal Policies	As per special policy		As per special policy	As per special policy	
Investment Policy	Recommends		Recommends	Approves	
Banking authorities	Recommends		Recommends	Approves	
Engagement of independent auditors (up to 6-year period)	Engages as selected by BOG		Recommends	Approves	
Emergency expenditures (Disaster Recovery Plan/maintain WSBA Ops)	Approves	Approves			

Budget Policies and Process

Overall Philosophy (Policy/Rationale)

WSBA financial statements are important documents both to individuals inside and outside the organization. The budget is a tool that lays out a financial plan for the coming fiscal year and it is also a guide to action for all WSBA employees. The Budget will help guide decision making and provides a way for direct oversight to WSBA Fiscal activities. The Budget is a statement of the values of the organization as well as a financial document as it is a tangible expression of WSBA's real priorities. WSBA's managers are guided by the organization's strategic plan, but various departments, programs or purposes are in competition for the organization's limited resources and the outcome of that competition is determined by where the funds are actually allocated. Budgets invariably create incentives and disincentives that will affect the behavior of managers, ~~and staff and volunteers.~~ Additionally, it gives WSBA staff direction on how and where to invest its resources. In order to be a useful tool, the budget cannot be a rigid document that can never be amended, it can and should be amended if necessary through the reforecast process with adequate oversight and directions. The budget can be amended by the Board of Governors, Budget and Audit Committee or Executive Director via decisions made under this Fiscal Policy as well as the Fiscal Responsibilities Matrix.

Commented [AF56]: Try to make it all encompassing.

WSBA should budget revenues and expenses as accurately as possible. Revenues should be realistic, but not overly conservative. Expenses should be estimated not on remote possibilities, but rather on historical spending patterns and actual planned expenses. There should be some flexibility in the budget to allow for contingencies and necessary adjustments. Variances to the budget (over or under) are to be expected and will be reported to the Budget and Audit Committee through the review of the monthly financial reports throughout the fiscal year.

Commented [KP57]: I added this to recognize the reality that budget numbers are estimates and as actual numbers for budgeted spending come in there will likely be variances up or down.

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WSBA fiscal policies recognize the difference between ~~controllable and uncontrollable~~ Direct and ~~indirect~~ controllable and uncontrollable expenses and will seek to hold managers and staff accountable accordingly. Individual departments or programs may be credited with or charged with revenues and expenditures attributable to them, but a manager can only be held responsible for line items under his/her/they/them control. Managers should be able to make recommendations for significant variations from the budget where and when it faces uncontrollable vagaries and make mid-year corrections as needed.

Commented [AF58]: I inserted this section because you titled it overall philosophy

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Procedure

The WSBA should prepare an annual budget and establish its budget by function ("cost center") insofar as practical to permit subsequent cost-benefit analysis. The budget should be transparent so it is easy for the Board of Governors and members to see how the WSBA is spending its money.

Generally, as much as possible, WSBA budget shall be separated into three broad sections: (1) an operating budget: tracks all revenues and expenditures, (2) a capital budget: concerns the purchase, leaseholds or disposal of long-term physical assets, such as buildings and equipment; (3) Cash BudgetFlow: tracks the flow of cash during the year whether related to operating or capital activities.

WSBA budgets shall be structured to accommodate Cost Centers (committees, boards and other entities) and Profit Centers (CLE divisions). The budget for each cost center should include its revenues, its direct expenses, and its share of the WSBA's overhead (indirect) expenses. By knowing the total cost of each program or function, the Board can make policy decisions about which programs should be supported by member license fees, which programs ~~should~~ ~~be~~ self-supporting, and which programs should generate revenue for other WSBA functions or programs.

UP TO HERE

Commented [AF59]: I think we need to have a discussion about this. It is too general for him as I believe we have a profit center in CLE. If we put everyone in one basket it will hamper creativity, innovation and entrepreneurship. Our current dual policy should be reflected here and called out. CLE are profit centers and all others are cost center. The responsibility of cost centers is to control cost with regards to budget and profit centers should undertake new efforts to increase revenue.

The revenue and costs associated with specific program areas; committees, boards and other entities; and other activities should be grouped into cost centers in order to further the Board's ability to make such policy decisions. More specifically, that shall include, but is not limited to, all revenues and expenses (direct and indirect) being presented in separate cost centers for: (1) the Board of Governors; (2) the Executive Director; (3) the LLLT program; (4) the LPO program, and (5) all Supreme Court boards and committees

The only allocation of full time employee units to the Board of Governor cost center shall be the direct time of any administrative staff among whose primary purposes is to assist the Board. The full cost of the position of Executive Director shall be reflected in ~~it's own that~~ cost center without allocation to any other cost center and shall include the direct time of any administrative staff among whose primary purposes is to assist the Executive Director. Both the Board of Governors cost center and Executive Director cost center shall be allocated their pro rata share of enterprise expenses in accord with standing practices.

~~WSBA's strategic plan operational needs, taking into account the strategic plan and goals, shall guide the budget process and determine whether budgets are developed incrementally or allow for redistribution. The budget process shall provide an opportunity for the board of governors to provide direct oversight over WSBA spending and priorities. Where those are shared enterprise expenses, they shall be clearly identified as such.~~

~~The budget should be a tool to plan for the coming year and help guide decision making. It is both a policy making tool for the Board of Governors and provides the Board of Governors the ability to provide direct oversight over WSBA Spending. Additionally, it gives employees direction on how and where to spend its resources. In order to be a useful tool, the budget should not be a rigid document that can never be amended – it can and should be amended if necessary. The budget can be amended by the Board of Governors, Budget and Audit Committee or Executive Director via decisions made under the Fiscal Responsibilities Matrix.~~

~~WSBA should budget revenues and expenses as accurately as possible. Revenues should be realistic, but not overly conservative. Expenses should be estimated not on remote possibilities, but rather on historical spending patterns and actual planned expenses. There should be some flexibility in the budget to allow for contingencies and necessary adjustments.~~

Commented [JP60]: Let's talk this over the strategic plan doesn't guide the budget process, it's the ED and the WSBA needs that drive the budget process.

Commented [TN61]: I don't understand this phrase.

Commented [AF62]: I don't now if you deleted this and move it elsewhere but I think it is important to include it here.

Commented [JP63]: Looking back not sure why I deleted, maybe I put it somewhere else. I un deleted to make sure I didn't put it elsewhere.

Commented [TN64]: Duplicate?

Procedure for Long-range Forecasting and Planning (Procedure)

The ~~Chief Financial Officer~~ Director of Finance ~~should~~ may prepare long-range forecasts, prior to the annual budgeting process, to get an indication of the parameters around the upcoming annual budget; and whenever requested by the Board of Governors, usually for planning for license fee increases and as part of the long-range planning process. ~~The forecasts will be a part of the Reforecast process usually executed in late Q2~~

-WSBA should annually update its long-range financial plan to anticipate the needs ~~of a growing Bar, of the Bar~~ and so that, if increased funds become necessary, the Bar can plan logically and in advance on what additional funding will be required to meet such needs

Commented [TN65]: Will also be part of the reforecast? The first sentence says this will be part of the budget process as well as anytime requested so this sentence doesn't make a lot of sense to me. Maybe instead add reforecast to the list of times when forecasting will occur?

Procedure for Annual Budgeting Time Line/Process (Procedure)

The budgeting process begins in April for the coming fiscal year (October 1 – September 30). ~~An official calendar will be prepared by the Director of Finance Manager and presented for approval at the March Budget and Audit Committee to the Budget and Audit Committee prior to the start of the budget process.~~

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Commented [TN66]: Do we want to get this specific?

The ~~Chief Financial Officer~~ Director of Finance ~~and Budget and Finance Manager~~ requests budgets from each Department Director, Section Chair, and liaison to the WSBA's various committees and boards. These individual budgets are compiled by the Budget and Finance Manager and reviewed by ~~the Chief Financial Officer~~ Director of Finance and the Executive Director.

Commented [TN67]: This can be delegated of course, but I think the Director of Finance is responsible.

Commented [TN68R67]: or maybe it's okay because it's procedure? Though note that this entire section is identified as "policy" in the first part of this document.

~~The Chief Financial Officer~~ Director of Finance and Budget and Finance Manager meet with department directors, employees, section leaders, etc. to conduct a thorough review of all budgets and comparison of budget figures to historical and year-to-date fiscal information.

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~~The Budget and Audit Committee reviews drafts of the entire WSBA budget (general fund, CLE, CPF, and~~

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sections) in June, July, and August, and provides guidance where necessary.

The Board of Governors reviews a preliminary budget in July and approves the final entire WSBA budget at its last meeting of the fiscal year (September).

If deemed appropriate from an operational perspective, a budget reforecast process may be executed in late Quarter 2.

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~~Section Chair and liaison to the WSBA's various committees and boards. These individual budgets are compiled and reviewed by the Chief Financial Officer and the Executive Director.~~

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- ~~• The Chief Financial Officer and Budget and Finance Manager meet with department directors, employees, section leaders, etc. to conduct a thorough review of all budgets and comparison of budget figures to historical and year to date fiscal information.~~
- ~~• The Budget and Audit Committee reviews drafts of the entire WSBA budget (general fund, CLE, CPF, and sections) in June, July, and August, and provides guidance where necessary.~~
- ~~• The Board of Governors reviews a preliminary budget in July and approves the final entire WSBA budget at its last meeting of the fiscal year (September).~~

Capital Budget (Procedure)

~~A capital budget is prepared each year as part of the annual budget process. The Capital Budget is prepared by the Budget and Finance Manager in collaboration with Department Managers.~~ The capital budget forecasts capital purchases anticipated in the coming fiscal year that are over \$2,500 and have a useful life over 1 year (the depreciation for which is included in the expense budgets prepared by the WSBA Controller). In addition, Capitalized IT hours are a part of this budget. Capitalized Hours require to be tethered to an ongoing approved capital project or must be included and identified in any newly submitted project. The Board of Governors reviews a preliminary capital budget in ~~July~~ June and approves the final capital budget with the entire WSBA budget at its last meeting of the fiscal year (September).

Capital Budget Procedure

A capital budget is prepared each year as part of the annual budget process. The Capital Budget is prepared by the Budget and Finance Manager in collaboration with Department Managers.

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Cash Flow Budget (Procedure)

~~From time to time, when necessary, Quarterly~~ a cash flow ~~forecast budget may will~~ be prepared by the WSBA Controller ~~both~~ to anticipate the timing and amount of cash and liquidity needs of the WSBA for the current ~~year~~ quarter and the excess funds available for longer - term investments.

Procedure for Additional Budget Requests (Procedure)

Department directors, committee/board employee liaisons, or section leaders who anticipate a need for funds in excess of their approved budget should make a request to the ~~Chief Financial Officer~~ Director of Finance, indicating the additional amount requested and the purpose of the additional funds. (Note: Sections are required to obtain approval from the ~~WSBA Treasurer~~ Executive Director for any unbudgeted expense which totals either 25% or more of the section's annual expense budget or \$1,000 (whichever option is greater) – see Chapter 10 for details.) This request will be handled according to the Fiscal Responsibilities Matrix. ~~If necessary, a request can be taken to the Budget and Audit Committee at its next meeting.~~

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Commented [KP69]: This was moved to the ED approvals above so if it stays with ED this needs to be modified or remove from ED authority on page 12.

Procedure for Ongoing Program Review

WSBA should anticipate both new initiatives and planning for potential termination or decreased funding for some older programs, depending on relevance for and needs of WSBA. WSBA should maintain a scheduled program review process for all non-regulatory WSBA programs.

Procedures for Financial Reporting (Procedure)

Monthly (Interim) Financial Reporting

WSBA should have accurate interim financial reports so that over-expenditures are less likely when the fiscal year ends and so that corrections may be made in mid-year. Interim financial reports should be consistent with final year-end financial statements and prepared with similar governing principles. Below are the financial reports generated by Finance and Administration employees. The format and level of detail provided in the financial statements are subject to modification as needed.

Monthly Financial Summary

Each month, the ~~Accountant~~ Controller produces a summary of the year-to-date budgeted (original and amended) and actual revenue and expenses for the general fund (by cost center), CLE, CPF, and sections (total of all sections) and fund balance information. This report is usually available after the tenth working day of the following month, except at year-end when the closing process is 2-3 months. The ~~Accountant~~ Controller provides the report to the Executive Director and department directors; it is also provided to the Budget and Audit Committee and Board of Governors with the Monthly Summary Reports by Cost Center/Section.

Monthly Cost Center/Section Summary Reports

The ~~Accountant~~ Controller prepares year-to-date detailed financial reports for each cost center/section. ~~These reports~~ These reports show the cost center/section's annual (~~amended~~) budget or Reforecast, actual monthly revenue and expenses, year-to-date actual revenue and expenses, and year-to-date remaining budget. Monthly Cost Center/Section Summary Reports are usually distributed after the tenth working day of the following month to each person responsible for a cost center/section (e.g. department director, Section Chair, and other designated employees). They are also provided to the Budget and Audit Committee and Board of Governors on a regular basis (the months that correspond to their meeting schedules).

Monthly Detailed Reports by Cost Center/Section

In addition to the monthly financial summaries, each person responsible for a cost center/section (e.g., department director, Section Chair, and other designated employees) is provided with reports showing the detail of posted transactions. These detailed reports should be reviewed for **accuracy** (report any adjustments, reclassifications, ~~corrections or~~ corrections or questions to Accounting) and **comparison to budget** (report the reason for significant variations from budget or trends of interest to the Chief Financial Officer). Any questions about the amount of an income or expense item, the category in which it is recorded, or any other concerns, may be addressed to the ~~Accountant~~ Controller, Budget and Finance Manager, or Chief Financial Officer.

Key Financial Benchmarks

The Budget and Finance Manager prepares a percentage comparison of key figures (revenue, ~~indirect, indirect,~~ and direct expenses for the general and CLE fund) of the current fiscal year's actual year-to-date activity with the percentage of the year completed and the prior year percentage. It also includes additional comments regarding where employees expect to be in terms of budget by year end and any additional information that helps explain large variances. This report is provided to the Executive Director and department directors on a monthly basis with the internal financial statements.

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Commented [KP70]: Maggie please check any changes for procedural accuracy.

Commented [MY71R70]: Yes, that is right. The monthly section statements are done by Accountant.

Year-to-date Vendor Payment Listing (added September 2016)

The ~~Senior Accounting and Financial Systems Manager~~ Controller prepares a year-to date vendor payment listing that shows total payments made by vendor over \$10,000. The report will be provided to the Executive ~~Director Management Team~~ after the tenth working day of the month, consistent with the completion of the monthly financial statements. Additionally, on a quarterly basis, the Budget and Finance Manager or ~~Chief Financial Officer~~ Director of Finance will provide this report to the Treasurer for review.

Tracking and Accounting for Budget Amendments

1. Budget Amendments (where bottom line is changed ~~(over \$25,000)~~ – BOG approval required):
 - Tracked ~~on a separate list by the Finance and Budget Manager through reforecasting process. Any budget change to the Bottom line requiring approval by the BOG will necessitate a reforecast or an adjustment to the existing reforecast on a separate list.~~
 - Appropriate expense line amended according to BOG decision
 - The bottom line of the budget will be amended to reflect amendments made to the budget by the BOG during the year, so that financial statements compare actual to amended budget

Commented [KP72]: According to matrix above BOG approval is required for budget amendments that change the bottom line of the budget.

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figures rather than original budget figures.

~~2. Reallocations of unbudgeted revenues to unbudgeted expenses~~

Commented [AF73]: Need rewrite. Confusing and convoluted

- ~~• Tracked on a separate list~~
- ~~• Appropriate revenue line's budget is increased~~
- ~~• Appropriate expense line's budget is increased~~
- ~~• This information will prevent additional revenue from being allocated to additional expenses more than once (a current weakness in our system)~~

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Commented [AF74]: This should either be in the Notes section or footnotes

Commented [JP75]: What does this mean I don't know what that weakness is

~~3.2~~ Reallocations of budgeted expenses to other line items

- Track any reallocations approved by the ~~Executive Director, BOG or~~ Budget and Audit ~~or BOG~~ on a separate sheet
- ~~Track significant reallocations made by the Executive Director to the extent possible~~

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Quarterly Financial Reporting

On a quarterly basis, the Budget and Finance Manager and Chief Financial ~~Officer~~ may will, if circumstances require, prepare a summary of budget amendments, reallocations, important financial issues, and explanations of significant budget to actual difference-s for the ~~Executive Director,~~ Budget and Audit Committee and the Board of Governors.

Commented [AF76]: I think we should keep "may" as it is not mandatory that they will be a budget amendments or reallocation

Commented [KP77R76]: I added language to capture the conditional nature of this requirement.

Commented [JP78]: I think "will" is correct because the reporting has to happen if there is an occurrence. Let's discuss

Annual Financial Reporting

The WSBA's annual audited financial statements are prepared by independent auditors. The WSBA ~~Accountant~~ Controller prepares the final year-to-date internal financial statements with detail for each cost center (see explanations above).

Selection of Independent Auditors (Policy)

An annual audit of the Washington State Bar Association's financial records ~~shall be~~ shall be performed by an independent accounting firm for the purpose of expressing an opinion on the Association's financial statements

for the fiscal year.

At least once every six years the Association shall undertake a formal process of seeking competitive bids from several qualified accounting firms for performing the annual audit. The Budget and Audit Committee will oversee this process, interview final candidate firms, and make a recommendation to the Board of Governors. The Board of Governors shall make ~~the final~~the final selection.

During the six-year period, the Executive Director is authorized to engage the firm so selected for each year's annual audit, or to initiate a competitive bid process prior to the end of the six-year period.

Chapter 2: Assets

Authorization of Banking Relationships (Procedure)

The Board of Governors will authorize banking relationships as needed (e.g., when there is a new Executive Director). Signatures cards with the bank are updated when there are changes in staffing or Treasurers. Below is the standard generic template generally used by WSBA. This resolution is used in conjunction with a letter from the Executive Director naming individuals holding the positions noted in this resolution:

RESOLUTION AUTHORIZING BANKING RELATIONSHIPS

WHEREAS, it is necessary and prudent for the Washington State Bar Association to establish and maintain a number of banking relationships for the purposes of depositing, managing and investing WSBA funds; and

WHEREAS, it is necessary and prudent for the Washington State Bar Association to establish and maintain certain credit relationships for the purposes of purchasing goods and services;

NOW, THEREFORE, BE IT RESOLVED:

That the Treasurer or Executive Director, [Name of ED], of the Washington State Bar Association, or any one thereof, are hereby authorized to establish both deposit relationships and credit relationships necessary to conduct WSBA business; and

That the Treasurer, Executive Director, [Name of ED], and _____ are authorized as signers on any deposit relationship in order to withdraw funds of the WSBA; and

That the Executive Director; [Name of ED], and Chief Financial Officer, and their designees are authorized to invest excess balances, in accordance with the Investment Policy; and

That the Executive Director, Chief Financial Officer, Controller, and their designees, are authorized to make deposits and transfers in established accounts.

Approved by resolution of the Board of Governors on the ____ day of _____, _____.

xxxxx, President

ATTEST:

xxxxx, Executive Director, and
Secretary to the Board of Governors

Investment Policy (updated and approved by the Board of Governors on March 19, 2015) ~~POLICY~~

PHILOSOPHY

The WSBA's funds have historically been invested exclusively in cash, cash equivalents and debt instruments. Although this provides a high degree of safety, the returns received are low and have not always kept up with inflation. The Board of Governors believes it is prudent and in the best interest of the WSBA and its membership to hold a diversified portfolio of investments that allows funds to be invested in a manner that is consistent with cash needs of the organization while meeting its investment objectives. The WSBA's funds are invested in cash, cash equivalents, debt instruments, and equities.

The investment policy was modified in March 2007 to allow for the investment of a portion of the funds held by the WSBA in the broader market (beyond items such as Certificate of Deposits and Bonds, into the equities market) while at the same time maintaining a pool of short-term investments to meet anticipated needs over the next 12 month period. Investing in the broader market involves a greater degree of investment risk, therefore only that portion of the funds that is not needed to meet the short-term needs may be invested in such markets.

~~The WSBA's approach is to invest in a portfolio that includes moderate growth funds composed of stocks, cash, bonds, real estate, and other classes of assets, that is capable of Funds selected should focus on -providing for the long-term growth of the principal investments. The investment strategy is to maximize total return, while maximizing preservation of preserving principal. Returns on investment include ie the total interest, dividends and appreciation in the value of stocks, and other assetsof the funds. Annually, WSBA may decide to withdraw from the fund/investment and transferred to operating funds for expenditures that year. Any additional investment returns are reinvested in the principal, enabling it to grow.~~

OBJECTIVES

The primary investment objectives of the Washington State Bar Association are:

- Preservation and safeguarding of the principal amount invested;
- Maintenance of liquidity to meet operating cash flow needs; and
- Maximization of return consistent with the above two objectives.

At least quarterly, balances shall be monitored and compared to cash flow needs so that funds may be invested promptly upon receipt in order to meet the primary investment objectives. It is expected that investments in debt instruments or time deposits will be held to maturity, and therefore funds that are allocated to those investments should be invested so that they mature when cash is expected to be needed for operations.

AUTHORITIES

Annually, the Board of Governors will review and make any necessary changes to their resolution authorizing banking and investment relationships that designates who is authorized to:

- Establish deposit relationships;
- Make deposits and transfers in established accounts;
- Invest excess balances and reinvest funds at maturity or when otherwise available from one investment vehicle to another; and
- Deposit proceeds of maturing or sold investments into appropriate interest bearing accounts.

Investments are made under the prudent investor standard applicable to fiduciaries under the provisions of RCW 11.100.020, with judgment and care under circumstances then prevailing, which persons of prudence, discretion,

Commented [AF79]: Philosophy?
Commented [KP80]: We should run any of these proposed changes by the Investment Subcommittee of B&A. Generally I think they have indicated they don't think much needs to change.

and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.

In making investments, the following factors shall be considered:

- The probable income as well as the probable safety of the investment;
- Marketability of investments;
- General economic conditions;
- Length of the term of the investments; and
- The WSBA's projected liquidity needs for both the short-term (next twelve months) and the long-term (over one year).

PORTFOLIO CONSTRUCTION

The assets of WSBA may be held or invested in cash or cash equivalents, governmental and corporate fixed income securities, and equities. WSBA's total portfolio shall be comprised of the following:

1. A portion of the assets not to exceed the Board-designated general fund Facilities Reserve ("long-term portfolio") shall be invested in accordance with the prudent invest-or standard.
2. The balance of the assets ("short-term portfolio") shall be kept in cash, cash equivalents, auction rate securities, or fixed income securities having maturity dates that are consistent with the time frames for the anticipated liquidity needs of WSBA.

Commented [KP81]: This seems prudent and in alignment with the philosophy but all of this should be run by the Investment Subcommittee of B&A

INVESTMENT GUIDELINES

Equities

- U.S. Common Stocks
- U.S. Convertible Notes and Bonds
- U.S. Convertible Preferred Stocks
- American Depositary Receipts (ADR) and American Depositary Shares (ADS) of Non-U.S. Companies
- No-Load Mutual Funds that invest in securities allowed in this investment policy and which have annual operating expenses of less than one percent (1%)
- Auction Rate Securities with a minimum rating of A or better

Cash Equivalents

- Treasury Bills
- Money Market Funds with a Moody's rating of A or better
- Commercial Paper issued by corporations rated A1 by Standard and Poor's or P1 by Moody's
- Banker's Acceptances issued by domestic banks rated A1 by Standard and Poor's or P1 by Moody's
- Certificates of Deposit issued by any U.S. bank that meets all the regulatory reserve requirements and minimum capital requirements, and which are insured by the FDIC or the National Credit Union Administration, up to the federally insured amount.

Fixed Income Securities

- U.S. Government and Agency Securities
- Corporate Notes and Bonds, rated AA by Standard and Poor’s or Aa by Moody’s.
- Mortgage-Backed Notes and Bonds

Combined Funds

- ~~Investments in conservative or moderate growth and value funds which invest in companies of all sizes established companies both domestically and internationally and select Government and Corporate Bonds~~

General Limits/Guidelines

- ~~Quantitative guidelines for investments will be made at the time of selecting the investment in accordance with this policy and with consideration given to the three Objectives stated above. Decisions regarding investments should only be made after consultation with professional investment advisors who have reviewed the WSBA Investment Policy. Appropriate amounts based on the percentage of the available funds will be made at the time of investment and will be supported by a cash flow analysis prepared by the Chief Financial Officer and must be approved by the Budget and Audit Committee. Appropriate amounts based on the percentage of the available funds will be made at the time of investment and will be supported by a cash flow analysis prepared by the Director of Finance and must be approved by the Budget and Audit Committee.~~
- ~~No more than five percent (5%) of the reserve portfolio and no more than fifteen percent (15%) of the short-term portfolio may be invested in any one company or issuer~~
- ~~No more than twenty percent (20%) of the reserve portfolio shall be invested in any one industry~~
- ~~No more than twenty percent (20%) of the total portfolio shall be invested in corporate bonds~~
- ~~Investments in fixed income securities shall have a maximum maturity date of ten (10) years, and the weighted average portfolio maturity shall not exceed five (5) years.~~

MANAGEMENT AND MONITORING OF PERFORMANCE Procedure

Investment(s)

The WSBA may engage one or more fee-for-service investment managers and delegate individual investment decisions to such investment managers within the guidelines of this statement and the specific direction of the Budget and Audit Committee. A qualifying investment manager must be a registered investment advisor under the Investment Advisors Act of 1940. The selection and allocation of funds to individual investment managers will be made by the Budget and Audit Committee. The Chief Financial Officer or Budget and Finance Manager shall work with the investment managers in implementing the investment strategy.

The Budget and Audit Committee and Board of Governors must approve any significant changes in the investment strategy. In the event the WSBA’s investment managers recommend an immediate change in strategy that creates the need for a time-sensitive decision to be made, the ~~Chief Financial Officer~~ Director of Finance has the authority to approve the investment manager’s suggested strategic change. Prior to granting such authorization, the ~~Chief Financial Officer~~ Director of Finance shall consult with the Executive Director (or acting E.D.) and/or Treasurer, and if neither of them are available then the President, President-elect, or Immediate Past-President in that order. The Budget and Audit Committee ~~shall~~ shall be notified of such changes as soon as practicable. ~~Only with the~~

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Commented [KP82]: The term "growth" is not consistent with the reference to the reference to moderate growth funds above. Growth funds are a different classification in financial investing terminology (i.e. generally there is a growth portfolio, moderate and conservative in terms of risk).

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Commented [AF83]: Can we articulate the rationale for this limit in a note/footnote? The limit should be subject to variations by the Board of Governors

Commented [JP84]: Francis, I prefer striking this whole section and adding the wording as edited here.

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~~approval of the Board of Governors may a commissioned securities broker be engaged to manage all or any portion of the assets, but a securities broker may be utilized to execute trades authorized by the Budget and Audit Committee or its investment managers.~~

Reporting

A report will be prepared at the end of each month listing the investments held, and which shall state the maturities and rates of return of any fixed income securities. This report will be included in the monthly financial statements and provided to the Budget and Audit Committee and the Chief Financial Officer for review, and provided at each quarter-end to the Board of Governors. Additionally, the Budget and Finance Manager will prepare an investment update at the end of each month that will report on the long-term portion of the portfolio. This will be provided to the Budget and Audit Committee and the Board of Governors at each meeting.

Performance Reviews

The Chief Financial Officer, the Budget and Finance Manager, the Treasurer, and one or two current Budget and Audit ~~Committee members~~ Committee members (collectively, the "Investment Subcommittee") shall monitor the performance of the investment portfolio. The investment performance of total portfolios, as well as asset class components, will be measured against commonly accepted performance benchmarks. Consideration shall be given to the extent to which the investment results are consistent with the investment philosophy, objectives, and guidelines set forth in this policy. The Investment Subcommittee will meet with the investment advisors as necessary, provide reports to the Budget and Audit Committee at least quarterly, make decisions with the investment advisors on changes in investment, and recommend changes in the overall investment strategy.

Commented [JP85]: I find this sentence confusing.

Commented [KP86]: Where is this delineated in the other areas of the fiscal policy? I don't see a reference to whose authority is needed to commission a securities broker to manage part of the portfolio. There is a difference in making trades within a portfolio that is managed and overseen by an investment firm/advisor as opposed to having a securities broker actually manage the funds/portfolio. I would advocate leaving this in for clarity.

Commented [AF87]: The intent is clearly stated elsewhere. No need for it.

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GENERAL Procedures

Safekeeping

Investment assets may be held in street name or in safekeeping at the commercial or investment bank handling the transaction, on behalf of the WSBA.

Application

This policy applies to all investment funds, including those of the Lawyers Fund for Client Protection, WSBA sections, and any other state Bar entity.

Updating of Policy

This policy will be reviewed annually by the Budget and Audit Committee and the ~~Chief Financial Officer~~ Director of Finance.

Commented [JP88]: In 2 years here this has never been done. I suggest it's a standing agenda item for the April Budget and Audit Committee meeting as we would have ½ year of performance on the books and it would be a good time to address.

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Account Structure

WSBA maintains its funds in two types of accounts Operational Accounts (Checking and Savings Accounts) and Investment accounts (various). These accounts from time to time will change as required to conduct business or to improve current investment positions. Any account changes must be consistent with this Investment Policy and - approved by the Budget and Audit Committee.

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Checking/Savings Accounts

The Bar currently maintains ~~five~~ checking accounts:

Commented [KP89]: I added language to make sure any changes would also be consistent with the investment policy and approved by B&A.

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- Wells Fargo general checking account;
- Wells Fargo Zero-balance payroll account, linked to the general account;
- Wells Fargo Client Protection Fund checking account;
- ~~Key Bank Western States Bar Conference checking account (no WSBA funds); and~~
- ~~Key Bank BOG Special Fund checking account (closed effective 10/29/2018).~~

Investment Accounts

The WSBA currently maintains the following investment accounts:

- Morgan Stanley money market account
- Merrill Lynch money market account
- UBS money market account
- Wells Fargo money market account
- Morgan Stanley investment in managed funds
- UBS investment in municipal bond fund
- Morgan Stanley investment in municipal bond mutual funds
- Wells Fargo, Morgan Stanley, UBS, and Merrill Lynch - various individual investments (commercial paper, CDs, auction rate securities, etc.)
- Morgan Stanley money market account (CPF)
- Wells Fargo money market account (CPF)

PETTY CASH

The WSBA maintains several petty cash boxes for varying purposes (reimbursing employees for small dollar- amount expenses, providing change to employees collecting cash receipts, etc.). Access should be limited to only those persons authorized to handle petty cash. The WSBA's authorized petty cash boxes are as follows:

1. Accounting Division Petty Cash

The Accounting Division maintains the WSBA's primary petty cash for the purpose of paying for expenses **\$30 and under**. Ideally, the amount of petty cash on-hand is no less than \$50 and no more than \$800.

Commented [JP90]: This section is OK the strike trough is no applicable.

Commented [KP91]: I think this should stay because it is referencing the various petty cash activities within the departments below.

An employee requesting reimbursement from Accounting's petty cash:

- Completes a Petty Cash Form;
- Obtains his/her department director's or their designee's signature on the form as approval; and
- Takes the form to the A/P Bookkeeper (or another Bookkeeper or the Senior Accounting and Financial Systems Manager if the A/P Bookkeeper is not available) during the designated hours for Petty Cash service; and
- Initials the form upon receipt of the cash.

The A/P Bookkeeper initials the form, pays the cash, and puts the initialed Petty Cash Form in the petty cash box. The Accounting Division's petty cash is kept in a box in a locked cabinet in a fireproof box. The keys to the cabinet are accessible only by the Bookkeepers and the Controller.

The ~~Accountant~~Controller, while being observed by the Accounting Division employees, audits the petty cash on a regular basis. Any discrepancies must be reported to the Controller or the Chief Financial Officer. ~~Petty cash~~Petty cash is replenished monthly or as needed by the A/P Bookkeeper by preparing a Check Request, which is approved by the Controller or Chief Financial Officer.

2. Front Desk Change Box

The front desk receptionist maintains a "change box with \$100 cash. The cash is used to make change, primarily for WSBA visitors who purchase products or register for events. When larger bills, \$10's or \$20's, accumulate, the receptionist is responsible to get smaller bills from the Accounting Division. The front desk receptionist locks the cash box in a secure location at the end of every day. The Accounting Division or Finance employees audit the cash box periodically. ~~Expense reimbursements~~Expense reimbursements are **not** to be made out of the front desk change box, except for Conference Room Assistant expenses authorized by the Chief Financial Officer.

3. Office of Disciplinary Counsel Petty Cash

The Office of Disciplinary Counsel (ODC) has a petty cash box for the purpose of reimbursing ODC employees for expenses **\$50 and under** (e.g., litigation expenses, supplies, court documents, employee travel, misc., etc.). Ideally, the amount of ODC petty cash on hand is no less than \$100 and no more than \$500. An employee requesting reimbursement from ODC's petty cash:

- Completes a Petty Cash Form;
- Obtains the ODC director's or their designee's signature on the form as approval;
- Takes the form to the ODC Department Administrator; and
- Initials the form upon receipt of the cash.

The ODC Department Administrator initials the form, pays the cash, and puts the initialed Petty Cash Form in the petty cash box. ODC's Department Administrator controls the box, keeping it in a locked drawer for safekeeping.

Accounting Division employees periodically audit the ODC petty cash box. Any discrepancies must be reported to the Controller or the Chief Financial Officer. Petty cash is replenished as needed by preparing a Check Request, which is approved by the appropriate person in ODC.

4. Temporary Change Boxes

A few times each year, other departments draw from the Accounting Division's petty cash; generally, in amounts less than \$200. It is used for making change for the sale of small items. For example, CLE may need a temporary change box during a bookstore sale, or Admissions may need to sell small items at the bar exam. The change box and all receipts collected are returned to Accounting at the end of the day/session, with copies of each sales transaction to account for receipts collected.

Procedure for Bank Account Reconciliation

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Responsibility for Reconciliation and Timing

WSBA's checking accounts are reconciled by an employee who does **not** have the ability to prepare or sign checks (this includes the Controller, bookkeepers, ~~Chief Financial Officer~~ Director of Finance, and check signers). Generally, the Budget and Finance Manager and ~~Accountant~~ Controller are good candidates. Currently, the Budget and Finance Manager is the primary person responsible for reconciling the bank statements.

Commented [KP92]: Maggie please review any changes for procedural accuracy.

The hard copy monthly Wells Fargo bank statements are delivered to the person reconciling the bank statements **unopened**. This ensures that there is no tampering with the statements or accounts. Electronic copies of statements are provided for all other bank accounts.

Commented [MY93R92]: Budget and Finance manager who doesn't have access to the bank does the bank reconciliation

Each statement should be reconciled by the 20th working day of the month that the statement is received, with the exception of the year-end closing which prevents the reconciliations for October and November from being performed until late December or early January.

Reconciliation Report

The reconciliation process involves matching all deposits and payments recorded in WSBA's books to the bank statements. If errors or discrepancies between the bank and WSBA's accounting systems are noted, they should be documented on the reconciliation report. Copies of the completed reconciliation reports are given to the Controller, who is responsible for researching and correcting any errors or adjustments, and the Chief Financial Officer. Any questionable activity, such as a check that has been altered or forged, is documented and the information is presented to the Chief Financial Officer **the same day** that the activity is located.

Procedure for Outstanding Checks/Unclaimed Property Procedures

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WSBA will establish and follow unclaimed property procedures in accordance with Washington State laws. During the monthly bank reconciliation process, all outstanding checks will be identified. The A/P Bookkeeper will identify all checks that are over three months old and verify with the bank that the check has not been cashed, voided, or had a stop payment put on it between the last day of the previous month and the date of the bank reconciliation. The A/P Bookkeeper will follow up on all remaining checks outstanding over \$75 by sending an initial due diligence letter to the payee. If no response is received within three months of the date of the initial letter, a final due diligence letter will be sent to the payee. If no response is received within three months, WSBA will hold the check in accordance with the Washington State Department of Revenue Unclaimed Property rules, which generally require a three year abandonment period (see state Department of Revenue rules for reporting periods). After the abandonment period has been completed, the check amount will be included in the annual unclaimed property report (due October 31 of each year) which will be sent to the Washington State Department of Revenue. The original check will be voided in the general ledger and a stop payment will be placed on the check at the bank by the A/P Bookkeeper. A final check will be issued to the Washington State Department of Revenue along with the annual report before the October 31 deadline.

Procedure for Accounts Receivable (Procedure)

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Generally, the Bar requires that customers pre-pay for WSBA products and services. The exceptions where WSBA will invoice include:

- ~~NW Lawyer Bar News~~ advertising
- Government Agencies (including law libraries, courts, schools, etc.) that require an invoice before payment can be made
- CLE seminar registration when someone appears at a seminar believing the fee was previously sent in and, after research, we determine it was not
- ABA reimbursements for employee travel expenses
- Practice management Assistance (PMA) fees for consultations or diversions
- Audit fees related to diversions
- LAP client fees
- Situations where a customer has not paid the full amount owing for a product or service
- Miscellaneous items as needed

Procedure for Invoicing

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The requesting department prepares an Invoice Request Form and forwards it to Accounting. Accounting prepares the invoices and either mails them or returns them to the appropriate employee, as requested. *Accounting is responsible for creating invoices for all WSBA departments, unless an exception is approved by the Chief Financial Officer (e.g., Office of General Counsel, Membership Records label orders). No invoices should be prepared and mailed by non-Accounting WSBA employees unless specifically authorized to do so.* Generally, payments received for Accounts Receivable balances will be applied to the oldest invoice first.

Procedure for Collection Efforts

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Accounting prepares a monthly aged Accounts Receivable (A/R) listing and forwards a copy to each applicable department. Each department is responsible for contacting customers with a past due balance. Accounting will send out invoice copies or statements as needed. Reasonable collection efforts consist of phone calls, letters, statements or copies of invoices, and possibly the use of a collection agency with approval from the Chief Financial Officer. In certain circumstances, accounting employees will take responsibility for collecting receivables upon agreement between the Chief Financial Officer and the appropriate director. An example of this is the CLE Bookkeeper who collects receivables related to CLE seminars and the A/R Bookkeeper who collects advertising receivables for *Bar News* (see below).

NW Lawyer Bar News Collections Procedures

Commented [JP94]: Pending Feedback from Sara N.

~~NW Lawyer Bar News advertising revenue is administered by a professional agency with whom WSBA has contracted with to invoice, account for, and collect all advertising revenue on our behalf. Once funds are received, the agency retains 30% of all advertising revenue and the remaining 70% of advertising revenues are sent via check to WSBA within 60 days after publication date of the issue. If advertisers do not pay after 60 days, the agency initiates a billing and collections process to ensure revenue is collected promptly. WSBA and the agency discuss all delinquent accounts and mutually agree prior to sending an account to collections, and if nonpayment continues after 12 months, whether to write off any amounts owed.~~

Procedure for Bad Debt/Write-Offs

Temporary Write-Off (6 months)

When an invoice reaches 6 months past due, it will be written off as bad debt unless there is a reason not to write it off. ~~For example, currently, diversion invoices are collectible at any time and will only be written off unless the respondent is terminated from the diversion program.~~ Any other invoices that directors wish to keep on the books must be communicated to Accounting upon review of the monthly A/R listing; otherwise they will be written off once they reach 6 months past due. The Accounting employee debits the associated cost center's Bad Debt Expense account and credits the Allowance for Bad Debt account (which goes against Accounts Receivable). The Accounts Receivable still stays on the WSBA's books as an asset; however, the initial revenue has essentially been eliminated through the recording of a bad debt expense.

Permanent Write-Off (less than 1 year)

Any invoice determined to be uncollectible before one year will be written off. The department responsible for the invoice will provide Accounting with a memo including the following information: account name, invoice number, dollar amount, documentation of collection efforts and the reason it is now uncollectible. This memo is signed by the person requesting the write off, approved by the appropriate department director and forwarded to Accounting. Accounting then will permanently write off the receivable by crediting Accounts Receivable and debiting Allowance for Bad Debts. This entry has no impact on a cost center's expenses, but takes the asset off of WSBA's books.

Permanent Write-Off (1 year)

For any Accounts Receivable amount that is not collected within one year, Accounting will write off the item. This is done by crediting Accounts Receivable and debiting Allowance for Bad Debts. This entry has no impact on a cost center's expenses, but takes the asset off of WSBA's books. At the point this is done, Accounting will notify the appropriate director and employee in writing (memo or email) of the permanent write-off.

Payments Received After Permanent Write-Off

If payment is received after a receivable has been permanently written off, Accounting will debit cash and credit the cost center's Bad Debt Expense account (i.e., it shows as revenue offsetting the expense account).

Prepaid Expenses

Expenses paid in advance are recorded as prepaid expenses (assets). When the service is used, the funds are transferred to the associated expense account. Some examples of the WSBA's prepaid expenses include:

- Deskbooks. While in production, deskbook expenses are charged to the prepaid expense account. Once published, those expenses are transferred to the appropriate deskbook inventory account.
- CLE Seminar Expenses. During the year, expenses related to seminars are booked as an expense when paid (cash basis accounting). At the end of each fiscal year, expenses related to seminars that have not yet been held are transferred to a Prepaid account for the year-end financial statements (accrual accounting).
- Postage
- Insurance
- Property Taxes
- Venue deposits

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Commented [JP95]: Maggie does this still exist "diversion Invoices"

Commented [MY96R95]: We don't have diversion invoices anymore

Commented [JP97]: What would be the J?E be if we are keeping the receivable.

- Travel and Training

- Seminars

Deferred Costs

~~Deferred costs are primarily expenses associated with seminar planning and the production of materials. Recognition of these expenses is deferred until the related seminars are presented in the subsequent year.~~

Inventory

Deskbooks

CLE Publications publishes Deskbooks, which are reference materials on Washington law about specific legal topics. Supplements of existing deskbooks are also published and sold periodically to update the deskbooks. Once a deskbook has been supplemented, it is current as of the date of publication of the supplement. Inventory of deskbooks is stated at lower of cost or market on the first-in, first-out (FIFO) method.

Other CLE Products

WSBA CLE produces ~~several products designed to educate lawyers. These include~~ coursebooks from prior seminars, ~~available for sale to members. some of which include an audio CD or a video DVD.~~ CLE acknowledges that its customers have many sources from which to purchase publications and other CLE products such as coursebooks, ~~and audio and video tapes.~~ Therefore, CLE wants every customer to have a positive outcome when purchasing their product. ~~There is a need to periodically~~ Annually, the Controller in collaboration with the cost center manager review will review existing publications to ensure that only publications with value are still being offered for sale and they are compliant with the obsolete inventory policy.

Returns of CLE Products

If a customer specifically requests (verbally or in writing via by email or letter) a refund and returns the product within 30 days of shipment and is in a re-sellable condition, the customer will be issued a refund by the method paid (check or credit card). Refunds by check will only be made after verification of collection of the initial check deposited by the WSBA (standard waiting period is 2 weeks). The CLE Educatoin Programs Manager must approve any return of production beyond 30 days from the date of purchase.

If a CLE product is sent in error, WSBA pays the postage for the customer to return it by either reimbursing the customer or having UPS pick it up and bill the WSBA directly. If a customer returns a CLE product for any other reason (e.g., duplicate order, changed their mind, and ordered in error), it is the customer's responsibility to pay for the postage.

Obsolete CLE Inventory

The inventory of deskbooks and supplements will be reviewed annually by CLE Publications ~~the Senior Legal Editor~~ and the ~~Senior Accounting and Financial Systems Manager~~ Controller to determine which publications, if any, are obsolete; these will be written off. The ~~CLE Director~~ Chief Communications Officer will document in writing that they have performed this review and state their conclusions that all inventory is current or what amount needs to be written off as obsolete. This process must ~~be~~ completed within 30 days following the fiscal year-end (September 30).

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Commented [KP98]: CLE no longer offers DVDs/CDs. Everything is on-demand video or MP3.

Commented [JP99]: Does this happen a lot?

Commented [KP100]: I made changes to identify the correct positions and titles responsible.

Accounting for CLE Coursebook Binders

The CLE department generally purchases binders in bulk annually to take advantage of volume pricing. The number of binders purchased is based on an estimate of the department's needs for the coming year. The binders are produced as needed by the vendor and shipped to the Bar. A running total of the binders purchased (and remaining) is maintained by the CLE Department.

When the binders are purchased, the amount is charged to the binders inventory account. When the binders are received and assembled by the Bar, the amount is debited to the associated seminar and credited to the binder inventory.

Property, Equipment, and Depreciation

Cash vs. Leasing

It has been WSBA's practice to pay cash for furniture and equipment, as opposed to leasing. On occasion, the WSBA will rent furniture or equipment for very short-term use.

Depreciation

The Bar Association capitalizes furniture and equipment with:

- A purchase price over \$2,500; and
- A useful life of more than 1 year.

The WSBA uses straight-line depreciation for those times.

Property and equipment are stated at cost. Depreciation is computed over the estimated useful lives of the assets, generally three to ten years. Depreciation expense for fixed assets which benefit all of the WSBA are charged to indirect expenses. Depreciation for fixed assets which benefit a select few cost centers is charged only to those cost centers (e.g., CLE, Limited Practice Officers, MCLE, Discipline).

Completing the Physical Inventory

A physical inventory of furniture and equipment (fixed assets) is completed on a periodic basis, ideally annually but no less than every three years. When the physical inventory is completed:

- A report of all fixed assets is generated;
- The furniture/equipment is physically compared to the information on the report; and
- Missing items are noted, researched, and written off, if necessary.

Sale of Fixed Assets

A form is completed by the WSBA employee supervising the sale of furniture or equipment and submitted, along with the payment, to Accounting. The form will include the purchaser's name, address and phone number, the item being purchased, inventory tag number (if any), item price, sales tax and any other pertinent information.

Write-off/Disposals of Fixed Assets

On an annual basis, the Finance team will review the current listing of fixed assets and determine if there are items that require write-off or disposal. Any changes shall be incorporated into the WSBA's annual personal property tax report filing.

Commented [KP101]: This is policy but much of it is procedure.

Computer Software Development

Accounting for costs of computer software developed or obtained for internal use

The development of computer software for internal use can be done either by outside vendors, or by WSBA employees. The costs incurred in the development stage are capitalized and depreciated on a straight-line basis over the useful life of the software, in accordance with generally accepted accounting principles.

Internal use software is defined as software that is acquired, internally developed, or modified, solely to meet the WSBA's internal needs; and during the development or modification, no substantive plan exists or is being developed to market the software externally.

If, after the development of internal use software is completed, WSBA decides to market the software, proceeds received from the license of the computer software, net of direct incremental costs of marketing, are applied against the carrying amount of that software.

The development of software follows various stages. Costs incurred in development are capitalized; other costs are expensed, as follows:

Preliminary project stage (costs are expensed):

- Conceptual formulation of alternatives
- Evaluation of alternatives
- Determination of existence of needed technology
- Final selection of alternatives

Application development stage (costs are capitalized):

- Design of chosen path, including software configuration and software interfaces
- Coding
- Installation to hardware
- Testing, including parallel processing phase

Post-implementation/operation stage (costs are expensed):

- Training
- Application maintenance

Further guidance can be found in AICPA Statement of Position 98-1.

Procedures

WSBA programmers keep track of their time spent on software development using the WSBA time keeping system. Specific categories are established for significant software development projects (minor software development is not tracked due to immateriality.) The Chief Financial Officer makes the determination of whether a new time keeping sub-category is required.

Salaries and benefits of programmers are initially expensed as incurred through the normal accounting procedures used for all employees. In order to capitalize the development costs, the ~~Accountant~~ Controller makes a monthly journal entry to reclassify the software development costs from salary and benefits to a "work in progress" asset account so that the cost may be capitalized and depreciated when complete.

The IT Director notifies the AccountantController when a software development project is complete and placed in service and determines what the useful life of the project is. The AccountantController then moves the total cost to a fixed asset account and begins depreciating the asset over its useful life.

The IT Director will ask outside vendors to bill their time so that development stage expenses are clearly differentiated from preliminary and post-implementation costs. Development stage costs paid to outside vendors are also capitalized, and amortization begins when the project is placed in service.

The IT Director shall promptly notify the AccountantController when software development projects which have been recorded in the “work In progress” account are cancelled. The AccountantController will then reverse the amounts to salaries and benefits expense.

Chapter 3: Liabilities

Accounts Payable

Trade Accounts Payable

During the year, WSBA does ~~not~~ generally have a running balance in the Accounts Payable account. Expenses are paid on a weekly-recurring (weekly or bi-weekly depending on volume) basis as they come in to Accounting. At the fiscal year-end, any expenses related to the fiscal year are accrued as Accounts Payable.

Procedure

Check Security

All checks are issued in sequential numerical order. All checks are accounted for; and checks that are voided are noted for account reconciliation. Blank checks are stored in a locked cabinet. A small supply of checks is stored in a fireproof safe on site to be used in case of disaster or emergency.

Payments – General Guidelines and Procedures

Approval of Check Requests and Expense Reports

Check Requests or invoices must be approved by the Executive Director or his/her designee, subject to review by the Treasurer on request. The Executive Director has delegated signature authority in varying dollar amounts to department directors, who in turn have granted authority to certain employees for limited dollar amounts related to their areas of responsibility. See WSBA's List of Authorized Signers. Once the necessary approvals have been obtained, the Check Request is sent to the A/P Bookkeeper for payment.

Method of Payment for Check Requests and Expense Reports

The WSBA ~~generally~~ pays its expenses via check or EFT. Exceptions to this include payments made by petty cash or the following payments that are paid directly from the WSBA's checking account to the vendor and do not require advance approval (due to adequate controls in the process):

- Rent made by automatic withdrawals by the landlord;
- WSBA Visa MasterCard payments made by automatic withdrawals from Wells Fargo;
- Federal tax deposits made by ADP (comes out of WSBA's checking account);
- Payroll checks to employees made by direct deposit (comes out of WSBA's checking account);
- Retirement, Deferred Compensation, and sales tax payments made via ACH (comes out of WSBA's checking account); and
- Postage meter refills made by automatic withdrawals from the USPS.

Check Processing Procedures

All invoices, grant payments, and expense reports are entered and submitted through PN3 (Accounts Payable processing system). The information provided in the system includes electronic copies of back-up documentation and general ledger coding. System users are set up in the PN3 system with permissions based on their specific role, including whether or not they can approve invoices, dollar limits for those who can approve, and to whom invoices should be routed for approval after submission. PN3 tracks the items submitted and approval dates. On a weekly basis, the A/P Bookkeeper reviews the data for accuracy, reasonableness, general ledger coding, and

Commented [JP102]: This is wrong needs correction.

Commented [KP103]: Maggie can you look at this statement? I think there is some relevance in its application to how expenses related to fiscal year end are accrued.

Commented [MY104R103]: It is true except currently we are doing biweekly EFT and check run and then we do have a running balance on the Accounts Payable account.

Commented [AF105]: I agree. Do you have correct statement on account payable we can insert here as replacement?

Commented [JP106]: I really think we don't need this paragraph.

back-up documentation. Once the information is complete, the A/P Bookkeeper runs [a data upload from PN3 into](#)

~~a data upload from PN3 into~~ Navision for all items that have been approved for payment and issues checks from Navision.

Fixed asset, ACH payments, Client Protection Fund payments, and customer refund requests are ~~still~~ reprocessed in Navision. For those, the A/P Bookkeeper stamps the requests with the date received at the A/P desk, reviews the documents for reasonableness and accuracy, and verifies the calculations. Any questions or minor adjustments are given back to the employee submitting the request; other problems or questions should be promptly reported to the Controller or Chief Financial Officer.

The petty cash is available for employees want to receive the reimbursement less than \$30. For payments to employees for less than \$30, the amount is paid from petty cash (see Petty Cash procedures in Chapter 2: Assets).

For all other requests, the following general procedures for check processing are followed:

- A/P Bookkeeper does review and approval for processing of all invoices and expense reports in the PN3 system by Friday of each week. Fixed asset, inventory invoices and customers refunds are also entered in Navision by Friday of each week.
- Checks are printed on Fridays and are given to the check signer(s) by the following Monday morning for signature.
- Checks are typically mailed no later than Wednesday of the week of signing. (Note: When a holiday falls on a Monday, the checks may not be signed by Tuesday morning, in which case the checks might be mailed/delivered on Thursday).

~~Note: As a result of the COVID-19 Pandemic we have added ACH payments in lieu of checks in light of the fact office is closed for business.~~

Incorrect Check Requests or Expense Reports

Occasionally, the A/P Bookkeeper notes errors, inconsistencies, or requests that do not comply with WSBA reimbursement policies. The A/P Bookkeeper is not authorized to make changes to amounts in PN3. The A/P bookkeeper will send invoice notes in PN3 to the requester for any changes. If there is disagreement about a correction, the ~~Controller or~~ Chief Financial Officer will be notified and resolve the issue.

Rush Checks

Check Requests and Expense Reports should be approved and processed timely but from time to time it will be necessary to obtain a check sooner than the one-week turn-around time. Checks that need to be processed outside the normal time frames must be approved by the Executive Director or the Chief Financial Officer with sufficient time allowed for the Accounting Department to process the invoice and produce the check. Rush checks should be used judiciously and for good reason. Approved rush Check Requests should be given to the A/P Bookkeeper for processing. If the A/P Bookkeeper is not around when the request is dropped off at the A/P desk, the person requesting the rush check shall email both the A/P Bookkeeper and the Controller to let them know that a rush Check Request has been submitted. If the A/P Bookkeeper is out of the office or busy, one of the A/R bookkeeper or the ~~Controller Senior Accounting and Financial Systems Manager~~ will process the rush check. Rush checks will be processed in 24 hours but issuance of the check may vary depending on signatory availability.

Payments to Vendors

Responsibility for Payment

Each invoice from a vendor is distributed to the WSBA employee associated with the expenditure, who reviews the invoice for accuracy and determines if the associated service/product was received to the satisfaction of WSBA. The employee codes it to the appropriate general ledger account, and submits the invoice through PN3. ~~Subsequently and codes it to the appropriate general ledger account. T~~he invoice is then routed to their manager for approval.

Commented [KP107]: I don't think this is the case anymore. We do AFT or issue a check through AP and PN3. Maggie can you confirm?

Commented [MY108R107]: There is a petty cash box in accounting to reimburse the expenses less than \$30 if people want to receive the cash sooner.

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Commented [AF109]: This information should be either be in a footnote or notes section

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Commented [AF110]: Need filler

Commented [JP111]: See Input

Commented [KP112]: Made a minor change around issuance of the check.

Duplicate Invoices

Payments should be made based on original invoices, not duplicates or monthly statements. A/P Bookkeeper should ~~a-l-w-a-y-s-a-l-w-a-y-s~~ always verify in the accounting system that payment has not been previously made to the vendor, volunteer, or employee for that invoice/expense. ~~If discovered the invoice is a duplicate payment is discovered the A/P coordinator will reach out to the vendor and offer evidence of payment and cancel the duplicate invoice.~~

Commented [KP113]: Made modification to the verbiage.

Discounts & Timely Payments

WSBA's policy is to take advantage of any discounts available (such as 2% net 10) for prompt payment. WSBA also makes every attempt to avoid penalties and finance charges, such as those assessed if payment is made 30 days after the date of the invoice. Employees are responsible for submitting invoices for payment in a timely fashion. Continued violations of this policy may result in disciplinary action.

Problems with Invoices or Vendors

If an employee who originally received a vendor invoice finds that it is **not** correct or if the WSBA is **not** satisfied with the associated service or product, he/she shall attempt to resolve the problem with the vendor in a timely fashion. If the problem is not resolved within 30 days, the employee should consult with the Chief Financial Officer. If an invoice is being held, pending resolution of a problem, the A/P Bookkeeper must be notified in case he/she is contacted by the vendor. The A/P Bookkeeper may, in consultation with employees, resolve issues with vendor invoices or statements.

Vendors & Vendor Review

Only one vendor should be set up for each company/person. If a company changes its address, the address should be changed for that vendor. If a company is purchased by another company, a new vendor will be set up. For vendors with more than one mailing address, a separate vendor card will be set up for each address. At least annually, the A/P Bookkeeper shall review the vendor list for duplicate or inactive vendors.

Periodically, vendors regularly used by WSBA should be reviewed to ensure WSBA is getting competitive pricing. Examples include vendors of computer supplies, office supplies, equipment, etc. It is the Bar's policy when seeking vendors to provide a major product or service, WSBA submits Requests for Proposal to several vendors to ensure that the WSBA is receiving competitive bids.

Reimbursement of Expenses for Volunteers and Employees

See Chapter 6: Expenses.

~~Procedure for Deferred Litigation Expenses: During the annual budget process WSBA will establish a deferred litigation expense liability account which will become a liability on the balance sheet. The amount will be determined after consultation with General Counsel during the budgeting process. The amount determined must be approved by the Board of Governors during each budgeting cycle. The Executive Director will report any amounts used during each fiscal year to the Board of Governors.~~

Commented [KP114]: We should remove per Tiffany Lynch Director of Finance due to GAAP rules around expectations for estimating prepaid funds.

Accrued Vacation & Comp Time

WSBA employees accrue vacation and sick leave on a monthly basis according to the length of their employment. Non-exempt employees may earn comp time for approved hours worked over 40 hours in a work week. Employees track their work time and leave time in an electronic timekeeping system. Accruals of paid leave are generated by the ADP electronic time keeping system. WSBA records as a liability the accrued balances of leave time that will be paid out upon the termination of any employee (currently those categories are vacation and comp time).

Each quarter, the ~~Accountant~~ Controller provides the Budget and Finance Manager with a detailed report by person

indicating the total amount of vacation and comp time accrued. The ~~Accountant~~Controller computes the amount of the liability based on each person's actual hourly rate, then makes a journal entry for the difference between the current quarter-end liability balance and the amount on the books in the liability account (to bring the G/L up or down to the current liability amount).

Chapter 4: Fund Balance *(updated and approved by the Board of Governors on September 29, 2016)* Policy

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The fund balances, or net assets, of the Washington State Bar Association (WSBA) are the difference between assets and liabilities. Fund balances are either unrestricted or restricted. The Board of Governors may designate, and has designated, portions of the WSBA's unrestricted fund balance for specific purposes. Annually during the budgeting process, the Budget & Audit Committee shall review all fund balances, determine if funds allocated to the various reserves should be adjusted taking into account the goals and purposes of each fund, and make any recommendations for adjustments to the Board of Governors.

UNRESTRICTED RESERVES

GENERAL FUND RESERVES

The General Fund supports the majority of the WSBA's work, including regulatory functions and most services to members and the public. General Fund reserves are funded by the annual operating income of the WSBA. Use of the General Fund reserves is approved by the Board of Governors, usually planned as part of the annual budget, and is reflected in any annual net loss incurred by the WSBA.

It is fiscally prudent to maintain reserves to support operations in the event that an unanticipated loss occurs. Therefore, unless recommended by the Budget & Audit Committee and approved by the Board of Governors, the total value of the General Fund Reserves shall not fall below \$2 million dollars.

1. **Operating Reserve Fund.** The Operating Reserve Fund is a board-designated fund established to cover unanticipated expenses in the event of an emergency. As of April 2008, the Operation Reserve Fund shall be ~~\$1.5~~ ~~\$2.0~~ million. Any use of this fund shall be recommended by the Budget and Audit Committee and approved by the Board of Governors.

Commented [JP115]: I think we should ask the BOG to increase this from 1.5M or monthly expenses average 2.0MM. Its strange that our Maintenance reserve almost as high than than our Operational Reserve, actually I think our operational reserve should be as high as 3.0MM. Our operational expenses have gone up \$400K per month from 2008.

2. **Facilities Reserve Fund**

The Facilities Reserve Fund is a board-designated fund established to support future facilities needs such as an office move or refurbishment of existing office space ~~or preparation for the purchase of operational real estate. As of October 2016 MONTH 2021, t~~he minimum balance of this fund shall be ~~\$1,050,000~~. It is expected that the fund's value will increase as the WSBA gets closer to lease completion at the end of December 2026. To determine the level of reserve funds needed for a future move or refurbishment, the Budget and Audit Committee shall seek the guidance of the Facilities Subcommittee of the Budget and Audit Committee to assist in setting the facilities reserve fund balance goal no later than 5 years prior to the end of the WSBA's lease.

Commented [KP116]: I would agree with this. Maggie/Liz your thoughts?

Commented [MY117R116]: Yes, I totally agreed with COL increased

3. License Fee Stability Fund: The License Fee Stability Fund is a board-designated fund established to assist with stabilization of license fees over time. The fund may be used to offset revenue shortages during a budget cycle in lieu of raising license fees. Any usage of the fund should be designated in the budget and approved by the Board of Governors. The minimum balance of this fund shall be determined annually. The Executive Director will work with Budget and Audit to prepare a recommendation to the Board of Governors.

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4. Special Projects and Innovation Fund: The Special Projects and Innovation Fund is a board-designated fund established to provide funding for the development of new and innovative programs, projects or products that support and advance the mission of the WSBA. The minimum balance of the fund shall be determined annually. The Executive Director will work with Budget and Audit to prepare a recommendation to the Board of Governors.

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3.5 Unrestricted General Fund Balance

This is the cumulative balance of net assets from General Fund operations not otherwise restricted or

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designated to any other fund.

CONTINUING LEGAL EDUCATION (CLE) RESERVE FUND

The CLE Reserve Fund is a board-designated fund that serves as an operating reserve in the event CLE suffers an unanticipated financial loss. The CLE reserve is funded by the annual operating income of the CLE Seminars and Products operations. Reserves may be used to cover any net loss or extraordinary costs [or technology upgrades](#). The CLE Fund shall remain a part of the WSBA assets and, as such, is subject to the superintendence and control of the Board of Governors.

SECTIONS FUND

The Sections Fund is a board-designated operating reserve fund for the WSBA sections, consisting of the cumulative balance of net assets of all sections. Separate ledgers will be maintained for each section, making up the total for the Section Fund.

RESTRICTED RESERVES

CLIENT PROTECTION FUND (CPF)

In 1995, the Washington State Supreme Court and the WSBA created the Client Protection Fund (CPF). The purpose of this restricted fund is to relieve or mitigate a loss sustained by any person due to the dishonesty of, or failure to account for money or property entrusted to, any member of the WSBA in connection with the member's practice of law, or while acting as a fiduciary in a matter related to the member's practice of law. The CPF fund receives a mandatory annual assessment from each active [WSBA-lawyer and LLLT member of the WSBA](#). The difference between revenues and expenses of this fund each year results in the CPF restricted fundbalance.

Chapter 5: Income

License Fees [\(Policy\)](#)

Setting License Fees

Mandatory member license fees, paid annually, are the WSBA's largest source of revenue. License fees are set by the Board of Governors and ~~approved~~ [reviewed for reasonableness](#) by the [State-Washington](#) Supreme Court. There is a tiered scale with different rates based upon status, and the member's original admittance date in any Bar. License fees are paid for the calendar year [as contrasted to WSBA accounting which is based on Fiscal Year](#).

Revenue Recognition of License Fees

License fees are recognized ratably over the applicable calendar year membership period. Accordingly, fees collected during the WSBA's fiscal year that relate to the fourth quarter of the calendar membership period are included as deferred revenue in the financial statements.

Overpayments/Underpayments

Payments received in excess of the amount owed or are less than the amount owed will be handled in accordance with the overpayment/underpayment procedures.

CPF Assessment

The CPF assessment is mandatory for all active members. It is voluntary for inactive members; therefore, if the CPF assessment is paid by an inactive member, it is considered a [voluntary](#) donation.

Refunds of License Fees and CPF Assessments

~~While license fees are non-refundable, if a member dies without having practiced law in that year, a refund for license fees and the CPF Assessment will be made if requested by the estate. The Executive Director approves license fee refunds.~~ [Refund of license fees are controlled by Article III, Section I.4 of the WSBA Bylaws.](#)

[Procedure for Deposits/Incoming Receipts](#) [Procedure](#)

General Procedures for Handling of Payments/Income Receipts

The WSBA Mail Room employee sorts the incoming mail. Two people sort the mail opening those pieces addressed to WSBA or to an employee who routinely receives payments. The Mail Room employee gives all payments received via mail to the Accounting Division. There are some payments that might be collected by someone other than ~~Accounting~~ [accounting](#) employees, including:

- Walk-in payments collected by the front desk;
- Payment information faxed or emailed to an employee;
- Payments taken over the telephone or by email by the Service Center;
- On-site CLE registrations collected at the door;
- On-site non-CLE registrations/fees collected at the door;
- Bar exam on-site sales;

Commented [AF118]: Let me know Maggie's response

Commented [MY119R118]: We haven't seen the payments from inactive

Commented [JP120]: Yes, however we have never gotten a cpf payment from a non-active.

- LAP client counseling payments;
- Office of Disciplinary Counsel payments for recovery of discipline costs; and
- Reimbursements from members of the Board of Governors or other boards/committees that are submitted directly to an employee reconciling the expenses related to a particular event.

Items received from any source other than the mail must be forwarded to ~~or collected by Accounting~~ employees for inclusion in the counting process the **same or next day**. Payments received on site at a WSBA event will be forwarded to the Accounting Division the **first day the employee returns to the office** to ensure timely processing.

~~Employees should~~ ~~Employees – places~~ ~~should place~~ checks or payment information in the Accounting lockbox (located outside the ~~Senior Accounting and Financial Systems Manager's~~ ~~Controller's~~ office) when Accounting employees are unavailable to receive them (e.g., after the daily deposit is made or after hours). Accounting employees will check the locked box at the end of each workday and secure the payments for processing the next day. **For security reasons, employees should not place payment information in inter-office mail, in Accounting employees' in-boxes, or on Accounting employees' desks.** During hours that the office is closed all forms will be stored in a locked location.

WSBA maintains three lockboxes for the placement of payments/order/credit card information: (1) in Accounting, (2) in the Service Center, and (3) in EOD/CLE. Accounting maintains keys to the lockboxes.

Accounting will process the forms in Personify and white out or black out the credit card information. In some instances (such as licensing A1 forms, bar exam applications, MCLE submittal forms), the documents are scanned and then passed onto the appropriate department, which is then responsible to store the documents in a secure locked location. In other instances (such as CLE seminar registration and product orders), the documents are scanned; then stored safely in Accounting until they are destroyed at fiscal year-end.

Specific Procedures for Handling Payments Received by Non-Accounting Employees

Note: In the procedures set forth below, the term “properly delivered to Accounting” means either (a) hand-delivered to an employee in Accounting (not via inter-office mail nor placed in an inbox or on someone’s desk), or (b) placed into the Accounting lockbox (located outside the Controller’s office). It is critical that all credit card information be immediately secured.

Procedure for Walk In Payments-ins

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Receptionist – When a payment is received at the front desk the information will be put into a secure locked location until an Accounting employee picks it up. ~~During peak times such as licensing and bar exam applications, Accounting employees will pick up the documents every three hours and at the end of the day. Otherwise the pick-up schedule is once a day.~~

On-site CLE registration, non-CLE registration, product orders and other services forms collected off-site – Program Coordinators and other CLE employees will keep payments and order forms in a bank deposit bag that will be stored in a secure locked location. Once back at the office, the payment and order form will be promptly and properly delivered Accounting.

Other CLE orders – Other payments received by CLE (e.g., product orders) shall be placed in the EOD/CLE lockbox. CLE employees will properly deliver the orders to Accounting for processing.

Other – The form will immediately be properly delivered to Accounting.

Procedure for ~~Payment received via Mail~~

All forms received by Production that contain credit card information, will be properly delivered to Accounting.

If Production passes the forms onto another department besides Accounting, then that department must store the forms in a secure locked location until they are properly delivered to Accounting. If the forms are copied before being passed onto Accounting, then the copies must have only redacted credit card information.

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Procedure for ~~Payment received via Phone~~

~~Payments via phone are not permitted~~

~~WSBA has implemented an electronic ~~CC~~credit card (CC) payment system for licensing payments and other regulatory services payments. Due to PCI compliance and the risk of personal information being compromised we are avoiding collecting CC information outside of the prescribed system.~~

~~When the Service Center receives credit card payments over the phone, such information shall, if applicable, be transmitted via an internal electronic form that is automatically submitted to Accounting, or be placed in the Service Center lockbox.~~

~~Credit card information received by employees outside of the Service Center will be placed in a secure locked location until properly delivered to Accounting.~~

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Commented [AF121]: Why? Any rationale? Taking payment over the phone is widely embraced. Credit Card Information We implemented electronic CC payments

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Procedure for ~~Redacting credit card information~~

~~Occasionally some CC payments will come in outside of our CC system. In that case it's imperative to protect CC Information so CC information must be redacted by following the process below.~~

~~After processing the credit card information, it will be marked out with black marker or white correction tape. If a copy is made of a form prior to the credit card information being processed, then the copies must have credit card information redacted.~~

Commented [JP122]: Can we be more specific on receiving payments by Phone I would eliminate it.

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Commented [JP123]: This section isn't requiring if we don't take card numbers by phone or fax

Procedure for ~~Payment received via Email (Not Recommended)~~

~~Due to security concerns, receiving payments via email is not recommended.~~ When the Service Center receives credit card payments by email, they shall print the email and put into the Service Center lockbox. An accounting employee will pick up the documents from the lockbox twice a day. The email will be permanently deleted by the end of the day received.

~~Credit card information received by employees outside of the Service Center will be placed in a secure locked location until properly delivered to Accounting. The email will be permanently deleted immediately.~~

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Procedure for ~~Payment received via Fax~~

~~Payments via fax are not permitted~~

~~Credit card information received by fax will be immediately delivered to the receiver of the fax and properly secured in a locked location, placed in one of WSBA's three lockboxes (Accounting, Service Center, and EOD/CLE) or properly delivered to Accounting.~~

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~~Redacting credit card information~~

~~After processing the credit card information, it will be marked out with black marker or white correction tape. If a copy is made of a form prior to the credit card information being processed, then the copies must have redacted credit card information.~~

Deposits

Accounting Department Cash/Check Processing Procedures

Payments from the Mail Room are added to payments received that day or the previous day from other sources. The payments are processed by at least two ~~peoplersons~~ in the Accounting Division (so there is dual **control**) as follows:

- Verifies that each payment matches the amount listed on the associated source document (order or registration form);
- Sorts the payments by bookkeeper;
- Endorses the back of each check using a bank stamp;

- Places the following information on each set of source documents: the date of deposit, check number, and amount;
- Runs adding machine tapes for the payments and the source documents;
- Gives the source documents to the appropriate bookkeepers for processing; and
- Deposits the cash and checks into the bank by 4:00pm.

Credit Card Processing Procedures

WSBA accepts Visa, ~~Mastereard~~MasterCard, and American Express for the purchase of all fees, products and services.

Orders Received by Mail, Fax, Email or Phone – Accounting collects all credit card payments each day from the multiple sources listed above. They are sorted at the end of each day and given to the appropriate bookkeepers for processing the following morning. The credit card information is entered into Personify along with the order information. The credit card is processed that night by the credit card company (the authorization and charge to the card occurs in one step). Security procedures for the protection of credit card information are noted above in the section "Specific Procedures for Handling Payments Received by Non-Accounting Employees."

Orders Received Online - Customers pay for all online orders via Personify with a credit card. Personify processes the credit card automatically and securely stores the information in compliance with data security processing standards.

Procedure for Processing of Source Documents

The bookkeepers make every attempt to process payments the same day they are received. However, during periods of high volume (*licensing season*), it may take up to three to five working days to process incoming monies. The bookkeepers use the source documents and payment information to process the receipts in either Personify or Navision, whichever is most appropriate (the majority of payments are recorded in Personify; then imported to Navision at the end of the month; however, certain types of payments are processed directly in Navision).

Once the source documents are processed and balanced to the deposits, they are forwarded to the responsible department along with a copy of the posted journal. The receiving department is responsible for reviewing the documents for accuracy, and ensuring the receipt was posted to the proper account. The source documents and journal copies are kept in an organized manner and accessible should any questions arise and be retained as per the retention schedule. Accounting scans the documents after they have processed them.

Returned Checks/Declined Credit Cards

Procedure for Returned Checks

Checks may be returned to the WSBA by the bank for non-sufficient funds (NSF), "Account Closed," improper endorsement, or other reasons. Generally, those checks were accepted by the WSBA for payment of fees, products, or services.

As returned checks are received from the bank, Accounting credits the cash account and debits Accounts Receivable.

Commented [AF124]: I disagree but I am open to your rationale..

Commented [KP125]: I think this is referring to how employees in the mail room or other departments would handle the receipt of a check in the mail. The idea is to get it to accounting ASAP.

Commented [JP126]: If we receive payments by mail it should only be by check

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Commented [JP127]: What are these types of payments processed directly in Navision?

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If an NSF check has been presented only once, Accounting may try re-depositing the check. If the check has been presented twice or has been returned for reasons that would prevent it from being re-deposited, Accounting will take further action including phone calls and letters. Outstanding items are reviewed on a monthly basis to determine any further action. Accounting will notify the proper employees for further collection efforts.

If the payment was for license fees or status changes, and it is still uncollected, Accounting works with the Licensing Lead for further collection efforts. If the payment remains uncollected, the member may owe the penalty amounts or may be suspended for non-payment of dues.

If the payment was for the Bar Exam, Admissions is notified and depending on the timing, the applicant may not be approved to sit for the exam or may not have his/her results released until the funds have been received.

Procedure for Declined Credit Cards

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If a credit card charge is declined or the credit card number is invalid, the order is cancelled in Personify and Accounting employees will contact the customer to get a new credit card number or an alternate form of payment. In the event a credit card is declined where the event has happened or the customer has picked up the product, Accounting will invoice the customer for the amount owing and send a cover letter with the invoice.

Overpayments and Underpayments

Commented [KP128]: I would argue most of this is policy because it says what we will accept or not accept as over and underpayments.

Occasionally, WSBA receives payments that differ from the amount owed for the product or service. Below is how overpayments and underpayments are handled:

Overpayments

\$.99 or Less

Overpayments of \$.99 or less will be accepted, as is, without any refund efforts. The overpayment amount is credited to the appropriate income account under the cost center for that product or service. Refunds up to \$.99 overpayments will be made only upon the payer's request.

\$1.00 or More

For overpayments of \$1.00 or more, the order is processed as usual, with the overpayment amount credited to the appropriated income account under the cost center for that product or service. The amount of the overpayment is automatically refunded to the purchaser by the Accounting division. As overpayments are received, the bookkeepers submit the refund paperwork to the Controller for approval.

Underpayments

\$4.99 or Less

Underpayments of \$4.99 or less will be accepted, as is, without any other collection efforts. The underpayment amount is charged against the appropriate income account under the cost center for that product or service.

\$5.00 or More

For underpayments of \$5.00 or more, the applicable department is made aware of the underpayment and the department employee may request an invoice from Accounting for the amount owed. In some instances (e.g., CLE products and seminars), the customer is automatically invoiced by Accounting.

Procedures for Refund of Income

All refunds shall be approved by the department requesting the refund. Approved refund requests are submitted to Accounting for processing. A customer refund is handled in the same way in which the payment was received.

Credit Card Refunds

For example, a customer who paid by credit card will be refunded by credit card. If the order was initially processed in Personify, it will be refunded through Personify. If the order was processed online (CLE bookstore or MCLE website), it will be refunded directly through Verisign, the online credit card processor.

Refunds by Check

If a payment was originally made by check, WBSA will write a check for the refund. Refunds by check will only be made after verification of collection of the initial check deposited by the WSBA (standard waiting period is 2 weeks).

Deferred Revenue

Deferred Seminar Revenue

Seminar registration fees are recognized as revenue in the year in which the related seminars are held. Deferred seminar revenue relates to fees collected for seminars to be conducted in subsequent years.

WSBA Sponsored Professional Liability Insurance Program Rebates

~~From 1993 to 2005, the WSBA received rebates pursuant to an agreement with KVI/Marsh in exchange for sponsoring a professional liability insurance program. These rebates are restricted in that they are to be used at the WSBA's discretion to fund loss prevention projects, generally those which further educate lawyers in their ethical responsibilities. Historically, these rebates were used to offset losses to a CLE seminar on ethics, publish and distribute the Trust Account Guidelines booklet, and support traveling seminars put on by the Practice Management Assistance team geared to law office best practices. The rebates received were recorded in a liability account when received. Once funds are expended, the accounting for the use of the funds is done in either of two ways:~~

- ~~• When the WSBA uses those funds to offset losses to a CLE seminar: the CLE department prepares the preliminary seminar profit and loss statement for the seminar to determine the amount of the loss; then the Accountant/Controller prepares a journal entry and credits the agreed upon amount of Marsh funding to that CLE seminar income account in the general ledger, and reflects the amount as revenue on the final profit and loss statement. The Accountant/Controller debits the liability account.~~
- ~~• When the funds are used to support other Bar programs, such as PMA lawyer training or the publication of the trust account guidelines booklet, the appropriate expense account is charged. Periodically At least quarterly, the Accountant/Controller prepares a general ledger journal entry to credit revenue in the appropriate cost center (e.g., Audits or PMA) and debit the liability account.~~

Commented [JP129]: Is this still an active transaction? I am checking with Julie

Commented [AF130]: Waiting on answers Waiting on feedback from Julie GC

Commented [KP131]: I don't think this is still in existence. Maggie can you confirm?

Commented [MY132R131]: Yes, we still have this rebates \$46K in the system.

Commented [KP133R131]: Do we need this section Maggie? We don't use these funds for anything that I am aware of. Are these funds old or continuing?

Commented [MY134R131]: I don't think that we need this section on the policy. Those funds are pretty old which we need to identify and either use it or...

Recovery of Discipline Costs under Rules for Enforcement of Lawyer ~~Conduct~~

Commented [JP135]: Check with Julie for any changes

ELC 13.9 Costs and Expenses

Commented [KP136]: I emailed Doug and Julie to provide feedback on this section 2/2/22.

Pursuant to ELC 13.9 *Costs and Expenses*, the WSBA may assess costs and expenses to a lawyer at the conclusion of the disciplinary process. The ~~Bar~~ [WSBA Office of Disciplinary Counsel \(ODC\)](#) seeks costs and expenses at the conclusion of ~~every~~ formal cases that results in discipline, or when an Admonition becomes final. In resolving cases by Stipulation [ELC 9.1(b)(4)] ~~the WSBA ODC~~ generally "adjusts" (with [approval of the Disciplinary Board or Hearing Officer approval](#)) the presumed expenses.

"Costs" are certain out-of-pocket expenses (court reporters, service fees, copying costs, hearing officer expenses, etc.) related to a disciplinary proceeding that results in disciplinary action (admonition, [letter of censure](#), reprimand, suspension, disbarment).

"Expenses" are the reasonable charge for attorney fees and administrative costs, and are set at a presumed level, depending on the degree of review required for a matter to become final.

After assessment of costs and expenses, the Supreme Court may enter a monetary judgment [ELC 13.9(I)]. ~~The judgment may be attached to the property of a respondent by filing the judgment with the Superior Court Clerk in the county where the property is located.~~

ELC 5.3(hf)(2) Investigation of Grievance

Costs and expenses ([generally including a \\$500.00 fee](#)) are also allowed under ELC 5.3(hf)(2), when a lawyer fails to cooperate in an investigation and a subpoena is issued ~~to him~~, although the investigation may not result in disciplinary action.

Commented [KP137]: All changes in this column were requested by Doug Ende, Chief Disciplinary Counsel (2/9/2022)

Treatment of Costs and Expenses

Amounts due to the WSBA for discipline costs and expenses are not recorded as a receivable on the WSBA's books until actually collected due to the uncertainty of collection (even where judgments are recorded). When checks come in from lawyers related to their costs and expenses, they are processed as income under "Recovery of Discipline Costs."

[Applicability to Limited Practice Officers and Limited License Legal Technicians](#)

[Recovery of discipline costs described above is also applicable to Limited Practice Officers and Limited Licensed Legal Technicians.](#)

Commented [KP138]: Added per direction from Bobby Henry/Renata Garcia.

Chapter 6: Expenses (updated by the Board of Governors on July 23, 2016)

I. GENERAL EXPENSE REIMBURSEMENT POLICY

WSBA depends upon and values the time and talent of its employees and volunteers. As a steward of member funds, WSBA asks for employees and volunteers to be fiscally prudent and follow the policy at all times, help save costs. WSBA will reimburse: (1) reasonable and prudent, (2) necessary, and (3) appropriately documented, out-of-pocket expenses incurred in connection with WSBA business or meetings, as set forth herein.

A. Scope

This policy applies to all employees and volunteers while engaged in authorized WSBA work, including, but not limited to: the President, President-elect, and Immediate Past-President; Board of Governors; Board of Governors-elect; board, committee, task force, council, and panel members; section officers, executive committees and members; and invited guests. Any items not included herein deemed necessary to conduct the WSBA's business, or that deviate from these policies due to extenuating circumstances, may be approved by the WSBA Treasurer or the Executive Director in accordance with the WSBA Fiscal Matrix.

B. Liability

The financial liability of the WSBA to any board, committee, task force, council, panel or section is limited to the funds budgeted (on a line item basis) for it in the current approved budget of the WSBA. If any volunteer, board, committee, task force, council, panel or section (or any one of its members): (1) incurs a liability that is greater than the funds budgeted or otherwise approved; or (2) incurs a liability in excess or outside of the amounts allowed by this policy, such liability may will be presented to the CFO Director of Finance who will evaluate for appropriateness. If appropriate the CFO Director of Finance will route to the Executive Director or Treasurer for approval. In the case the expense is not deemed to be reasonable the liability will be the personal obligation of the individual responsible for incurring or authorizing the authorizing the liability.

C. Policy Exceptions

- WSBA ABA Delegate expenses shall be reimbursed up to a fixed-reasonable amount necessary to attend the ABA House of Delegate annual and midyear meetings only, not to include educational and social events connected to the ABA Conference and ancillary meetings. Delegates should seek reimbursement from the ABA for approved expenses and seek reimbursement from the WSBA for those reasonable and necessary expenses not covered by ABA policy, set each year during the budget process. The budget for delegate expenses will be contained as separate and distinct line item in the Executive Director Cost Center
- Certain expenses of WSBA Officers, Board of Governors, and the Executive Director shall be reimbursed in accordance with "IV. Expense Policies: WSBA Officers and Board of Governors" and Section "V. Expense Policies: WSBA Executive Director", *infra*.
- Section executive committees may use their discretion: (a) to use section funds to cover group meal expenses for one guest per section member attendee at section events open to all section members, at executive committee meetings and retreats, and at speaker or award dinners; and (b) to pay or reimburse a speaker or award recipient and guest for travel, meals, and lodging in accordance with WSBA expense policies. Group meals are paid for an entire group on one invoice and are not subject to the per diem amounts for individuals under the reimbursement policy. As with all other expenses, group meals are expected to be reasonable.

D. General Guidelines for Reimbursement Requests

- WSBA will not reimburse expenses that are reimbursed from another source.

Commented [KP139]: This comes up in the context of section executive committees meetings and retreats often. I am open to feedback on the wording.

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~~2.~~ WSBA will not reimburse expenses incurred by spouses, domestic partners or guests (hereafter collectively referred to as “guest” or “guests”), except as identified in Section I.C above. ~~However, WSBA will reimburse for double accommodation (as compared to a single).~~

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~~3.1.~~ In accordance with IRS requirements, any person seeking reimbursement from WSBA shall submit a signed, dated WSBA Expense Report, supported by detailed receipts. In the absence of a detailed receipt, up to \$75 may be reimbursed for an expense by completing an Expense Affidavit Form. An Expense Affidavit is also required for reimbursement of Personal Phone and Home Internet Stipends

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~~4.~~ Barring any unforeseen circumstances, all WSBA Expense Report forms and receipts must be submitted within 60 days of incurring the expense;

Commented [AF140]: Can we cite the board approval?

Commented [JP141]: Not sure what you mean by his can we discuss on our next call?

Commented [JP142]: I don't think we can strike this we need the Exp. Reports to be timely See next section or is your point that its repetitive?

~~2. HI WSBA Expense Report forms and receipts must be submitted within 60 days of incurring the expense;
All WSBA Expense Report forms and receipts must be submitted within 60 days of incurring the expense;~~

~~with the exception that expenses incurred in September must be submitted within 30 days after WSBA's September 30 fiscal year end (by October 30). Reimbursement requests for expenses incurred in the prior fiscal year submitted after October 30th of the following fiscal year will not be paid unless approved by the Executive Director and Chief Financial Officer/Director of Finance. The Executive Director will have discretion to approve any expense report beyond the cutoff date when the same isn't completed due to unforeseen issues such as health related, family related matters or any other personal reason where the employee is not available to submit the report.~~

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Commented [KP143]: I deleted the narrative because it already says the ED has discretion due to unforeseen events....is it necessary to define any further?

E. Travel Expenses

1. Volunteers (updated and approved by the Board of Governors on March 8, 2018):

WSBA encourages virtual meetings whenever feasible to accomplish board, committee, task force, panel, council and section work. Reimbursement of travel expenses to board, committee, task force, council, panel and section members residing out of state to attend their meetings is limited to the approximate cost of in-state travel (i.e. cost of travel from the nearest WA border to the location of the particular meeting). ~~I.E. Travel from Seattle to Western Washington.~~

2. WSBA Employees:

Employees must have prior authorization, from their supervisor or inherent in their job description, to incur travel, lodging, and meals expense on the job. ~~Any costs beyond Seattle Metropolitan area mileage (King, Pierce, and Snohomish Counties) related to attending Board of Governors meetings shall be pre-approved by the employee's director.~~ All overnight stays at a Board of Governors meeting shall be approved by the Executive Director. For additional terms, see "III. Additional Employee Expense Policies".

Commented [AF144]: Let me know your WSBA's response to this.

WSBA Work from Home Employees

~~The WSBA is providing an ORCA card/transportation allowance to those employees who qualify. This allowance is no longer available to all employees and will be assessed on a case by case basis using the below criteria. Below are the criteria for ORCA cards, or equivalent for ferry or van pool:~~

~~A committed schedule that involves being in the office at least one day every week (minimum 3 times/month).~~

~~In-person seasonal activities~~

~~Directors will also have discretion to make exceptions~~

~~An employee that is not eligible for an ORCA card can be reimbursed for parking when they need to use their car for work purposes.~~

~~Note that travel to in-person meets and events not at the WSBA office is covered by our fiscal policy and not changed by these provisions.~~

Commented [KP145]: Removing as this is covered in our employee handbook and is considered more of a benefit rather than a reimbursement.

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F. Transportation

~~Subject to Section I.E.,~~ WSBA will reimburse transportation costs based on the limits set forth below. WSBA will ~~not~~ reimburse for lodging ~~en-route~~ ~~except when special circumstances such as weather, abnormal traffic patterns or personal circumstances occur.~~ Any expense report containing en route expenses will be approved by ~~the Executive Director.~~

~~and WSBA will only reimburse for the lesser cost of coach economy airfare. Reimbursement for out of state meeting travel is limited to the approximate cost of in-state travel encourages employees and volunteers to utilize the least costly method of transportation available under the circumstances. For example, if a ticket to fly coach economy to a particular destination is less expensive than the cost of reimbursing mileage for driving then flying should be the selected mode of transportation. (the cost of traveling from the nearest Washington border), How~~

Commented [AF146]: This should be deleted. It is anachnoistic

Commented [JP147]: I agree with you totally

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do you interpret this? See Foot note 2 below. I would suggest a flat fee for out of state travel.

~~1. Personal Autos:~~ Mileage will be reimbursed at the IRS Standard Mileage Rate in effect at the time of travel. *Carpooling is encouraged.* Damage to personal autos while being used on WSBA business is not covered because a portion of the mileage reimbursement is intended to defray the insurance cost to the individual. Fines for traffic violations are also not reimbursable.

~~2.1. Rental Cars:~~ Rental cars may be used only when economical compared to other modes of local transportation or if local transportation is nonexistent. Rental charges should be net of any discounts and will be limited to the rental cost of compact or standard-size cars.

~~2. Ground Transportation:~~ WSBA will reimburse ground transportation, parking costs and tolls. WSBA will reimburse longer term airport parking at the lower of actual parking costs or an airport shuttle to/from the traveler's home. WSBA will reimburse tips for no more than 10% of the cost of the trip, in the case where 10% is less than \$2.00 tips can be adjusted to that amount.

~~3. Ride Share Expenses:~~ With the proliferation of Ride share companies such as UBER and Lyft Tips are customary. WSBA will reimburse for no more than 10% of the cost of the trip, in the case where 10% is less than \$2.00 tips can be adjusted to that amount.

¹ The approximate cost of in state travel is deemed to be the cost of traveling from the nearest Washington border. For example, a member traveling from California would be reimbursed for the lesser of either (a) the mileage from Vancouver, WA; or (b) a flight from Portland, Oregon.

Commented [AF148]: I don't think flat fee is fair. If the trip is approved, it should carry the same cost as in state.

Commented [KP149]: I propose deleting the struck verbiage and have out state travel subject to coach/economy fare and purchased a reasonable time before the trip.

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Commented [AF150]: Let's talk about this during our meeting

Commented [KP151]: I propose deleting it but would be interested about historical perspective for why we adopted this standard to begin with.

Commented [JP152]: Yes I find this to be not functional

4.3 Airfare: WSBA will only reimburse coach/economy-class airfare, which should be booked well sufficiently in advance of travel to obtain the lowest possible fares. ~~WSBA reserves the right not to fully reimburse for travel booked less than two weeks in advance of travel.~~ WSBA will not reimburse for use of frequent flyer coupons or air miles. Use of private airplanes is permitted; however, reimbursement is limited to an amount not to exceed coach-class airfare on a commercial air carrier, purchased not less than two weeks in advance of travel, for the same or substantially similar route. WSBA will pay a cancelled airfare if ~~WSBA~~ cancels a meeting. Airfare change fees will only be paid for changes in a meeting schedule. *Reimbursement receipts for airline travel must include name of passenger, credit card used for payment, confirmation that flight was paid in full, date of flight, and departure and destination locations. Credit card statements and cancelled checks are not acceptable.*

Commented [AF153]: Why? Rationale for this?

4. Other: Reimbursement for any other method of travel will be reimbursed only in an amount that would have been payable had the most economical method of travel been used.

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5.6. If there is a question about the reasonableness of a travel expense it will be escalated to the appropriate Department Director for a determination of reasonableness.

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Commented [KP154]: If these two cannot agree then it would go to the ED under Section A Page 58.

G. Lodging/Hotel Accommodations

WSBA will reimburse hotel/motel accommodations up to ~~\$175200~~ per night (~~\$20025~~ in Seattle) plus taxes. With respect to out of state conferences, WSBA will reimburse hotel accommodations at the advertised conference hotel rate.

Generally, if no lodging below the applicable limit is available or convenient in the area of the stay, department directors may approve reimbursements above the applicable per night limit utilizing the reasonable and prudent standard. WSBA will not reimburse for incidental expenses such as entertainment, personal phone calls, etc. *Reimbursement receipts must include name/location of hotel, guest name(s), date(s) of stay, and breakdown of charges for lodging, meals, telephones, and incidentals.*

H. Meal Expenses

1. WSBA will reimburse breakfast, lunch and dinner meal expenses, including ~~gratuities~~ reasonable tips and gratuity. WSBA will not pay or reimburse for alcohol purchases (see Section II. Purchase of Alcohol for Bar Functions). The WSBA encourages volunteers and employees to adhere to the IRS per diem guidelines for meal reimbursement which are updated periodically. The most recent per diem rates are available on the IRS website and will be updated annually on the WSBA volunteer and employee expense form. Any reimbursement requests within the maximum per diem limits for the State of WA will be deemed reasonable. Reimbursement requests above the maximum per diem limits should be reasonable and prudent given the circumstances and context in which the expense was incurred. ~~will reimburse up to \$79.00 for Breakfast, \$20.00 for Lunch, \$36.00 for Dinner and \$5.00 for incidentals, \$12 for breakfast, \$18 for lunch, and \$36 for dinner for daily meals, including breakfast, lunch and dinner. If a person is traveling all day (for all three meals), he/she may combine the allowances set forth above into one per diem amount and reallocate the per-meal allowances as desired (e.g., spend more on lunch and less on dinner). Tips and taxes will be reimbursed as part of the per diem not in addition to the per diem. Tips should be in accordance with what is usual and customary, generally speaking tips should be between 10% and not to exceed 15% of the restaurant bill. Requests for reimbursement above the Federal Per Diem Rates will be escalated to the appropriate Department Director for a determination of reasonableness.~~

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Commented [KP155]: Clarified that the maximum per diem amounts for the State of WA are the standard (as opposed to the various rates per county...we will measure by the highest per diem amount in the State).

Commented [AF156]: With inflation it is hard to find a breakfast that cost \$20. Let's be realistic. I will suggest \$40 for breakfast, \$40 lunch and \$80 for dinner

Commented [KP157]: I thought meal per diems were tied to the Federal reimbursement rates? Tying it to these rates allows us to change them by procedure as the federal rates change. We should perform an analysis of whether to adopt an accountable plan format where the per diems follow the federal guidance or whether we adopt a fixed per diem amount above the accountable plan. This will impact procedures and requirements for verifying with receipts, etc.. We need guidance on whether a receipt for a meal above the accountable plan per diem amounts will negate the needs for a 1099.

Commented [KP158R157]: We have more clarity here. We can go above the IRS per diem limits but expenses need to be substantiated. Question – should we set a daily limit/ceiling for meal reimbursements?

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2. If a meal is provided as part of a meeting or conference, no reimbursement will be made for substitute meals. ~~As such employees will only be reimbursed for meals supported by a valid receipt.~~

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~~Tips and taxes will be reimbursed as part of the per diem not in addition to the per diem. Tips should~~

be in accordance with what is usual and customary, generally speaking tips should be between 10% and not to exceed 15% of the restaurant bill.

3. If a remote meeting of at least four hours in duration is scheduled through a meal period (i.e. breakfast, lunch, or dinner) then regular reimbursement rates will apply.

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Commented [KP160]: Per President-Elect Clark's recommendation.

I. Expenses Other Than Travel/Transportation, Lodging, and Meals

Office Expenses: Despite use of services available through the WSBA office, volunteers may occasionally use their own resources to conduct WSBA business. Where practical, volunteers are expected to absorb, without reimbursement, minor expenditures. However, to the extent that cost records are available to document specific out-of-pocket expenses, such as telephone calls and postage, reimbursement may be made.

1. Expenses for photocopying and facsimile use will be reimbursed at rates set by the WSBA². No reimbursement will be made for office services not detailed by this policy (for example, voice mail charges, telephone connections, etc.). No reimbursement will be made for personnel costs or professional services without specific advance authorization.

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²Photocopying charges will be reimbursed at the actual out-of-pocket expense up to 15 cents a page. For faxes, the WSBA will reimburse the lesser of (a) the actual cost to send the fax; (b) up to 25 cents per page; or (c) up to \$5 per transmission. Appropriate documentation detailing the number of pages, fax recipients, etc. is required. The WSBA will reimburse for the telephone costs associated with long distance fax calls if detailed cost records are available.

2-1. Gifts/Awards: WSBA will reimburse costs (up to ~~\$100~~150) for the purchase of gifts, plaques or similar items recognizing an individual's extraordinary volunteer service to the WSBA and/or its component parts. Gifts from volunteers to WSBA employee are prohibited except for ~~de-~~ de- ~~minimis~~ minimis or token appreciations (up to \$50). All employee liaisons to boards, committees, task forces, councils, panels or sections should make sure the group is aware of this policy.

2-2. Miscellaneous: Reimbursement for expenses not otherwise described by this policy may be allowed when reasonable, necessary, appropriately documented, explained, and approved by the Executive Director or WSBA Treasurer in accordance with the Fiscal Matrix.

II. PURCHASE OF ALCOHOL FOR BAR FUNCTIONS

The WSBA prohibits the use of WSBA funds to purchase alcoholic beverages.

- A. WSBA will not pay for or reimburse alcoholic beverages purchased by volunteers or employees as part of a meal. Such purchases shall be segregated from meal expenses and paid for by the individual ordering them.
- B. Alcoholic beverages may be served at WSBA functions, as long as they are: (1) paid for with personal funds (e.g. no host bar), or with non-WSBA funds raised for that purpose; (2) paid directly to the vendor; and (3) served by a licensed bartender.
- C. WSBA funds may be used to pay ancillary costs at events such as the cost of a bartender, corkage fees for donated alcohol, and service/setup fees.

III. ADDITIONAL EMPLOYEE EXPENSE POLICIES

A. Weekend Work

Working on a weekend is treated like any other workday. Meals, daycare, etc. will not be reimbursed. However, in some circumstances, employees may be reimbursed for parking if they are required to work on a weekend (see "Private Auto- Parking" policy below).

B. Transportation

1. Rental Cars: Car rental requires pre-approval of a department director, and may be used only when economically practical compared to other modes of local transportation or if local transportation is nonexistent. Rental charges should be net of any discounts and will be limited to the rental cost of compact or standard-size cars. It is helpful to rent the car in the name of the WSBA. However, the WSBA's insurance policy contains an endorsement which extends coverage for damage to rental cars even if they are rented in an individual's name as long as they had permission from the WSBA and they are on WSBA-related business (the endorsement is intended to fill in the gaps where someone doesn't or can't rent the car in the WSBA's name). The WSBA will not pay for additional insurance coverage; the renter should decline coverage when renting in the WSBA's name.

2. Car Pooling: ~~Employees are encouraged to car pool when it is feasible as it reduces costs, risk, and can improve coordination amongst attendees~~ employees when traveling together.

2-3. Private Auto – Parking: Employees who purchase a monthly parking space are eligible for daily parking reimbursement at a prorated rate (1/21 of the monthly parking cost) on days they are required to use their vehicles for business. Employees who normally take public transportation but occasionally need their car for work may be eligible for reimbursement of actual parking costs. This option is expected to be used only occasionally and may apply regardless of whether the employee returns to the WSBA at the end of their work day. In addition, employees whose work assignments temporarily require substantial after-hours and

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weekend time in the office may request reimbursement for parking, subject

to department director approval. Examples of such situations include the following: hearings; bar exam preparation; committee, section, or board meetings, [licensing season](#); or other projects.

3-4. Taxi Rides: As part of the Metro Area ~~FlexPass~~[Flex Pass](#) program, employees who have a FlexPass and use an eligible method of transportation to work may use a taxi to get home if they meet certain emergency criteria. See the Human Resources Department for details. Directors may authorize a WSBA-paid taxi ride home in extenuating circumstances.

4.5. "Advances" For Travel or Expenses: The Executive Director, upon a director's recommendation, may approve travel advances. [Travel advances must be requested at least 7 workdays prior to the trip to allow for Requestors should allow](#) sufficient time to prepare the check.

C. Meals

1. **With Volunteers:** Picking up the tab for lunches with volunteers outside of regular meetings should be done with caution because of consistency, fairness, and appearances. Director approval is required. Any such expenses should be charged to the committee or function budget.
2. **"Buddy" Meals:** Employees assigned to be the "buddy" of a new employee may take the new employee to lunch. Moderately priced lunches (around \$20 per person) should be the norm.

D. Professional License Fees

WSBA will reimburse an employee or directly pay for fees associated ~~with professional~~[with professional](#) licenses that the employee legally must have to perform his/her job at the WSBA, or which the Executive Director determines are in the interest of the WSBA for the employee to have. This includes, for example, WSBA licensing fees (but not section membership fees) for attorneys whose positions require a license to practice, the State Board of Accountancy licensing fees for CPAs, and the Department of Health licensing fees for LAP psychotherapists. Such reimbursements/payments are prorated for new employees based on the calendar year and date of beginning work at the WSBA, as follows:

Month	% Reimbursed
January	100%
February	92%
March	83%
April	75%
May	67%
June	58%
July	50%
August	42%
September	33%
October	25%
November	16%
December	8%

E. Professional Liability Insurance

WSBA reimburses Lawyers Assistance Program employees for the cost of professional liability coverage for their activities conducted pursuant to their employment with WSBA. An employee who leaves WSBA employment during the insured period must refund to the WSBA that portion of the reimbursement covering any insured period after WSBA employment ends.

F. Employee Membership Dues

WSBA may reimburse or pay membership dues for employees to belong to local, state, or national organizations, subject to director approval and budget constraints.

G. Employee Cell Phone Expense Reimbursement Policy

This policy covers the reimbursement policies and procedures for business use of employee-owned cell phones.

~~A. Personal Cellular Phone Reimbursement – Ongoing Basis~~

~~A person who qualifies for a WSBA issued cell phone (based on their job duties) but chooses to use his/her personal cellular phone for WSBA business may be authorized to seek reimbursement in lieu of being issued a WSBA cellular phone as long as:~~

- ~~a. The director and user agree on a fair and equitable way to allocate the charges between WSBA and the user based on cost or time spent on WSBA calls vs. personal calls (Note: Permanent users can be reimbursed for charges based on unlimited minute plans); and~~
- ~~b. The appropriate director approves such arrangements in writing.~~

~~The employee shall submit a Check Request or Expense Report, along with a copy of his/her cell phone bill showing the charges and specific WSBA related calls. WSBA cellular phone bills shall be charged to the appropriate cost center (department telephone expense) on the Check Request.~~

~~B. Personal Cellular Phone Reimbursement – Occasional Basis~~

~~Employees who occasionally incur cell phone charges for WSBA related business on a personal cell phone are authorized to submit an expense reimbursement if:~~

- ~~a. The use of phone was necessary for the performance of job duties; and~~
- ~~b. The personal cell phone plan is such that cell phone owner is actually charged for the WSBA calls and the cost of WSBA related calls are easily determined as follows: (a) charges are based on per minute charge; or (b) a flat fee is charged for an allotted number of minutes; a per minute charge applies to minutes beyond the allotment; and the WSBA call(s) resulted in the owner going over the allotted minutes.~~

The WSBA acknowledges the use of cell phones is required to fulfill of some employees to fulfill the responsibilities of their position. As a result the WSBA has defined two ways of providing cell phone service to employees whose position requires the use of cell phones.

- 1. Issue a WSBA owned cell phone
- 2. Allow for use of employee’s personal phone and provide a reimbursement

Providing a WSBA Phone

Providing a WSBA Phone will require approval of the Department Director. The XXXXXX department will be required to maintain a record of both the approvals and the phones issued. This is a critical step as these phones will be subject to public records rules. The type of phone to be issued will be determined by IT.

Use of Personal Phone for Work

The WSBA will reimburse for use of personal phones. In order to qualify for a reimbursement, the employee

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must be authorized to use their personal phone by their Department Director. A person who qualifies for a WSBA issued cell phone (based on their job duties) but chooses to use their personal cellular phone for WSBA business may be authorized to seek reimbursement in lieu of being issued a WSBA cellular phone.

1. The reimbursement will be at a rate of \$20 per month.
2. The appropriate director must approve this arrangement in writing.

~~No reimbursement for occasional WSBA-related calls where plan charges are based on unlimited usage (WSBA will not pay a percentage of the total monthly fee). The employee shall submit a Check Request or Expense Report, along with a copy of their cell phone bill showing the charges and specific WSBA-related calls. WSBA cellular phone bills shall be charged to the appropriate cost center (department telephone expense) on the CheckRequest.~~

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H. Employee Parties and Celebrations

1. Generally, events in which all employees are invited to participate, or were approved by the Executive Director and the directors in advance, are paid by the WSBA. These include:
 - ~~Activities Committee events (e.g., annual holiday party, monthly birthdays, R.A.P., etc.);~~
 - ~~Lunch on records clean-up days;~~
 - Refreshments for all-employees meetings; and
 - Executive Director's purchase of treats for the entire employees for a special occasion.
2. Examples of where the WSBA *will not pay* include (any exceptions to this must be approved in advance by the Executive Director):
 - Personal celebrations like showers for weddings or babies;
 - Flowers for personal events, like illness or death in the family; and
 - Going-away luncheons or gifts.

I. Employee Development Budget

Each director is given an annual Employee Development budget, with sole discretion to use Employees Development funds reasonably for team building items such as employee retreats or activities, department meetings, meals or snacks, coffee or lunches with employees, and tokens or small gifts of appreciation for employees.

IV. EXPENSE POLICIES: WSBA OFFICERS AND BOARD OF GOVERNORS

The officers and members of the Board of Governors (including sitting and newly elected officers and Governors) are fiduciaries of WSBA and ambassadors to WSBA boards, committees, task forces, councils, panels and sections; to local and specialty bar associations in Washington State; and to other related groups or officials. It is expected that WSBA officers and governors will incur certain expenses in furtherance of this responsibility, and will comply with the expense policies of the WSBA, with the following exceptions:

A. Guest Meal Expenses

Individual meals for a guest of an ~~officer~~ ~~or~~ ~~officer~~ or governor may be reimbursed when no group meal is provided (up to the limits set forth in the "Meal Expenses" section of the General Expense Reimbursement Policy). Separate lodging/rooms and transportation costs will not be reimbursed.

B. Officer and Governor Attendance at Law-Related Events

From time to time WSBA officers and governors are invited to attend a ticketed, non-educational event sponsored by an outside organization. Usually, these invitations come from local or specialty Bar Associations in the state of Washington, or a similar national organization having a local meeting, or other law-related organizations. The primary purpose of the event may be to raise funds for the organization, or it may be social or networking occasion.

The Board affirms its role as a statewide organization to reach out to these interest groups, to encourage and support other Bar Associations and law-related organizations, to further the understanding of the activities and purposes of the WSBA, and to foster collegiality among its members and goodwill between the Bar and the public; in a fiscally prudent manner.

To this end, WSBA will annually reimburse expenses incurred for group registration events as follows:

	Statewide Events	Local and Specialty Bar Events	Significant County Bar Events
Officer	yes	up to 8	yes
Governor	yes	up to 6	In Governor's home district

The Executive Director may approve exceptions to these limits. WSBA reserves the right to request reimbursement for cancellations to group registration events.

C. Officer and Governor Travel to and Attendance at National/Regional Events (Section C.1 updated and approved by the Board of Governors on November 19th 2020)

Educational, training, or networking events for officers and/or governors are approved as part of the budget process based on the educational/networking value. Examples include the Bar Leaders Conference, Western States Bar Conference, American Bar Association annual or mid-year meetings, or meetings of the National Council of Bar Presidents.

The following policy has been adopted by the Board of Governors:

1. Officer Conferences;

The President, President-elect, Past President, and Treasurer may attend two~~h~~ree national conferences and the Western States Bar Conference. The President, President-elect, Treasurer and Past President may also attend the Northwest Bar Leaders meeting.

2. Governor Conferences

Governors may attend one national or regional conference during their term of service on the Board of Governors

C. Officer and Governor Travel to and Attendance at National/Regional Events (Section C.1 updated and approved by the Board of Governors on January 18, 2019)

Educational, training, or networking events for officers and/or governors are approved as part of the budget process based on the educational/networking value. Examples include the Bar Leaders Conference, Western States Bar Conference, American Bar Association annual or mid-year meetings, or meetings of the National Council of Bar Presidents.

The following policy has been adopted by the Board of Governors:

1. Officer Conferences

The President, and President elect and Past President are each budgeted to attend one National Conference of Bar Presidents meeting, the Bar Leaders Institute in Chicago, and the Western States Bar Conference.

2. Governor Conferences

All Governors may attend one conference in their second year on the Board of Governors.

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- Commented [KP162]: This was revised in 11/2020 so I pulled in that language, added the Past President per original redlines and added Treasurer for two national conferences.
- Commented [KP163]: Given the silence of the language as to reimbursement amounts it would be assumed that regular expense reimbursement rates would apply to Governor travel.

V. EXPENSE POLICIES: WSBA EXECUTIVE DIRECTOR

The Executive Director is an ambassador of WSBA to WSBA boards, committees, task forces, councils, panels and sections; to local and specialty bar associations in Washington State; and to other related groups or officials. It is expected that the Executive Director will incur certain expenses in the furtherance of this responsibility. The Executive Director shall comply with the expense policies of the WSBA, with the following exceptions:

A. Guest Meal Expenses

Individual meals for a guest will be reimbursed only at Board of Governor functions when no group meal is provided (up to the limits set forth in the "Meal Expenses" section of the General Expense Reimbursement Policy). Separate lodging/rooms and transportation costs will not be reimbursed.

B. Attendance at Law-Related Events

The Executive Director shall be reimbursed for attendance at law-related events when he/she is attending in his/her official capacity.

C. Travel

Reimbursement will be made for travel costs (transportation, lodging, meals and incidentals) to other bar associations when the purpose of the trip is to meet with another bar's Executive Director or elected official(s) for the purpose of furthering WSBA business. This would include local and specialty bar associations in Washington State, and unified or voluntary bar associations in other states. The Executive Director is also reimbursed for attendance fees and travel and lodging expenses to attend work-related educational seminars, such as, but not limited to, American Bar Association, Western States Bar Conference, Bar Leaders Institute, and the National Association of Bar Executives.

D. Meals

WSBA will reimburse meal expenses of the Executive Director and any WSBA or Washington State elected or appointed official(s) when the purpose of the meal is for the Executive Director or WSBA or Washington State elected or appointed official(s) to conduct WSBA business with the official(s). This would also include Washington state local and specialty bar elected or appointed officials.

E. Review of Payments to Executive Director

At least quarterly, the Treasurer shall review the payments made to the Executive Director (including salary, benefits, credit card charges, and reimbursements). The Budget and Finance Manager prepares a quarterly report for the Treasurer to review and sign.

VI. CLE SPEAKERS/PROGRAM PARTICIPANTS EXPENSES

In general, reimbursements to speakers and program participants shall be reimbursed according to the WSBA guidelines. However, with prior approval of the Executive Director, W S B A may approve reimbursements for lodging and meal expenses above the WSBA rates, as supported with appropriate receipts.

VII. ACCOMMODATION FUND

A. Purpose

The WSBA Accommodation Fund and Procedures are established to support the WSBA Accessibility Policy and ensure reasonable accommodation to members' participation in WSBA services, programs and events. Accommodation for services, programs and events is available to all members with disabilities. Reasonable accommodation includes such accommodation as sign language interpretation, sound enhancement, or other accommodation requested by members wishing to participate in WSBA services, programs and events.

B. Procedures

Persons should request accommodation through WSBA employees organizing the event (Organizer). The request should describe the event or series of events and the accommodation requested. Dialogue with the person requesting accommodation may be necessary to assure the most appropriate accommodation. All accommodation requests should be made as far in advance as possible, at least two weeks in advance of the event is strongly recommended to allow the best accommodation possible. The Organizer will review the request and outline the reasonable accommodation available. Reimbursement requests or pay-ahead service requests will be handled by the Organizer to ensure privacy. Should the request be beyond the expertise of the Organizer, even after consultation with Human Resources, outside experts will be consulted.

C. Other

The Accommodation Fund is intended primarily for use by WSBA members— other resources are available for WSBA employee accommodation and the Accommodation Fund is not intended to cover other overall accessibility accommodation which are budgeted for separately. The Accommodation Fund is not intended to cover facility or general accommodation needs. These matters will be handled by employees working with the facility at which the meeting or event is to be held.

D. Funding

The amount of funding available for accommodation will be set annually as an estimate of need in the budget process but may be modified by the Budget and Audit Committee if further needs arise to assure accommodation. The Organizer shall work with the Chief Financial Officer to prepare a request for increased funding which will be considered by the Budget and Audit Committee at its next meeting. In time sensitive circumstances the Executive Director can preliminarily approve a request which exceeds the Accommodation Fund. Fund, so long as the funds are available within the current fiscal year budget, subject to the Fiscal Responsibility Matrix.

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VIII. WSBA CREDIT CARDS

Each department director and some employees who frequently incur travel expenses (e.g., investigators) are issued individual WSBA corporate credit cards ("card holder") to cover WSBA business expenses only; personal charges are not allowed. An exception is if the charge contains personal expenses beyond the WSBA limit, in which case the card holder shall submit a check to Accounting with the credit card bill. All charges on a WSBA credit card must be supported by appropriate detailed receipts.

Card holders may authorize their employees to use their credit card for business expenses. However, the card holders remain responsible for all charges made using their credit card; specifically, that all charges comply with WSBA policies, are made within the delegated budget authority, and are coded to the proper general ledger account.

Each card holder must approve the monthly statement for his/her credit card. The monthly statement, along with detailed receipts and general ledger coding information, shall be submitted to the A/P Bookkeeper within 10 days of the end of the month.

Employees who support the WSBA's conference rooms and CLE Conference Center may be issued credit cards for the purpose of purchasing office supplies, food service, kitchen supplies, etc. in order to efficiently and cost-effectively manage the conference rooms and provide support to employee meetings. The monthly American Express bill shall be reconciled and coded to the proper general ledger accounts, then given to the Chief Financial Officer for review and approval.

IX. FUNCTIONAL ACCOUNTING PROCEDURES/ALLOCATION OF INDIRECT EXPENSES

Commented [JP164]: This section should be part of our accounting procedures no a fiscal policy.

"Indirect" expenses are expenses that benefit the whole organization; in many ways they are the basic cost of doing business. Examples include salaries, benefits, rent, telephone, insurance, legal advice, auditing services, computer equipment, etc., as well as all-employee meetings, coffee/tea service, etc. GAAP does not require a specific method of allocating expenses to their appropriate function. There are numerous ways to allocate common expenses, but there is no one correct way. However, the method chosen must be meaningful, reasonable, accurate, and consistently applied. Changes in the method of allocating indirect expenses, and what specific expenses are included in indirect expenses, are generally disclosed in the audited financial statements.

The main goal of allocating common expenses is to provide the "true cost" of each program. However, getting a

"true cost" is a misnomer, since different allocation methods will produce different results. The organization must choose a reasonable method that makes sense and will produce "accurate enough" information. Thus, it is important to understand that you are never really seeing the true cost of any program; you are seeing as close as we can get based on the allocation method chosen. A good example of this is how the WSBA treats certain support expenses. The WSBA has several departments which support all the cost centers, but for which the costs are not allocated to the indirect pool. No employee time for the Human Resources department or Information Technology department is allocated to other cost centers, although they primarily exist to support all cost centers. Thus, the "true cost" of a program does not include many of the WSBA support functions provided to it. It is helpful to understand this when conducting reviews of programs and cost centers.

WSBA has been using functional accounting since 1992. Direct expenses are recorded 100% to the appropriate cost center. Examples include committee expenses, employee travel, events, etc. The WSBA allocates indirect expenses as follows:

- Salaries – Salaries are directly allocated (through payroll) to the cost centers in which the employees primarily work. For example, some employees are allocated among several cost centers in one ~~department~~ (department) (e.g., Advancement or Regulatory Services Department). Many employees are allocated to only one cost center, although they perform work for many functional areas (e.g., Finance and Administration Department employees). ~~The allocation of~~ allocation of employees is done through the budget process; employees are allocated throughout the year just as they are budgeted. Therefore, a person may be budgeted at 25%, but may actually spend more or less of their time performing work for that cost center. However, the person is allocated through payroll at 25% regardless of their actual time spent unless a mid-year change in actual allocation is authorized by the Executive Director¹. ~~As part of the Reforecast process.~~ Actual time is considered in allocating employees for the next budget year.
- Benefits – When incurred, benefits expenses are pooled together and allocated among the cost centers based on the salary expenses (dollars, not FTEs) for each cost center. This method proportionately distributes benefits in relationship to the salaries expenses. Thus, the departments with higher-paid employees will also incur a higher share of benefits expense.
- Other Indirect Expenses (insurance, telephone, professional fees, etc.) – The WSBA allocates all other indirect expenses based on the number of FTEs in a cost center. For example, if a cost center has 10 out of 138 of WSBA's FTEs, then it will be allocated 7.2% (10/138) of the pool of indirect expenses.

¹ Note: The WSBA used to allocate salaries based on the actual time spent each payroll; however, this method was discontinued due to its unpredictability, volatility, and the cost of tracking such detail.

Chapter 7: Other Accounting Policies

Policy on Committee and Board Use of WSBA Funds

This Policy restricts committees (standing, ad hoc, special, or other) and boards from donating or contributing WSBA funds to programs or causes not specifically authorized in the approved budget. This restriction on the use of WSBA funds does not apply to sections since general WSBA funds are not used for sections.

Donations/Contributions/Sponsorships to outside entities

WSBA committees and boards are prohibited from donating, contributing to, or financially sponsoring outside entities or causes with WSBA funds even if the allocated budget has unexpended funds, except with special [review by the General Counsel and further](#) authorization from the WSBA Executive Director. This applies to donations to entities such as other bar associations, legal organizations, or outside causes. Requests made to the Executive Director must be made in writing at least 30 days prior to the desired date of the contribution.

Making charitable contributions

WSBA committees and boards are prohibited from making charitable contributions with WSBA funds.

Contributing to WSBA-Funded Programs

WSBA committees and boards are prohibited from donating or contributing WSBA funds to other WSBA-funded programs.

Employee Gifts

Use of WSBA funds, including committee and board budget funds, for gifts to WSBA employees are prohibited except for *de minimis* or token appreciations.

[Procedure for Pre-approval of Form Content](#) ~~Procedure~~

The ~~Senior Accounting and Financial Systems Manager~~ [Controller](#) must **pre-approve** the **content** of all documents that request payment (such as event registrations, order forms, or applications) that WSBA intends to either mail out or include in the ~~AWA~~ [Lawyer Bar News](#), on the Bar web site, or in newsletters. This type of document must include specific information to ensure the correct application of any payment(s) returned to the Bar. Accounting must review the document **before** the document is mailed or published.

In the case of form letters, the template should be given to the Controller for review and approval before any letters are mailed. In the case of order forms, once the order form is designed (but not yet mailed or published), a "draft" copy should be given to the Controller for review and approval.

WSBA Price List and User Fees

User fees for Bar products and services are set and revised periodically either during the budgeting process or as deemed appropriate by the department director ~~or Budget and Audit Committee of the Board of Governors, or by the Board of Governors.~~

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Taxes

Local Taxes

WSBA pays personal property taxes to the City of Seattle in accordance with local laws.

State Taxes

WSBA pays taxes to the State of Washington for:

- Use and sales taxes on the sale of taxable products;
- Department of Labor and Industry (L & I) workman's compensation taxes (the reports are prepared and filed by WSBA); and
- State Unemployment (SUTA) tax, which is paid on an "experience" basis only (the SUTA reports are prepared quarterly by ADP, WSBA's payroll vendor).

WSBA is exempt from State of Washington:

- Business and Occupation (B & O) tax, since WSBA is an instrumentality of the State Supreme Court.

Federal Taxes

The WSBA does not pay Federal Unemployment (FUTA) tax.

Letter regarding WSBA Tax Exempt Status

Please contact the Office of General Counsel or the Chief Financial Officer.

Grants

WSBA programs may seek grant funding from foundations/organizations to support specific projects/programs.

Grant application

- With the support of the Executive Director, applications for grants, budget worksheets, grant checklists or work plans will be completed by the WSBA program requesting the grant.
- General Counsel will review grant applications for legal content.
- Accounting information will be reviewed by the Chief Financial Officer before submission.
- The Executive Director will approve in-kind expenses related to a grant.
- The Executive Director or designee must approve the grant request before the application can be submitted to the funding organization.

Grant Awards

- Grantees will alert the Accounting Division as to the amount and approximate date of receipt of grant funds.
- Reports, as required by the grant, will be completed by the grantee with assistance from Accounting.
- If unused funds are to be returned to the Grantor at the end of the grant period, the grantee and ~~Accountant~~ **Controller** will balance the dollar amount to be returned. A Check Request will then be prepared by the grantee and, after securing proper approval, forwarded to Accounting for processing.

Managing Grant Funds

- If grant amount is over \$20,000 and anticipated to benefit more than one fiscal year, the amount received will be deposited into a liability account and moved monthly ~~as funds~~ ~~as funds~~ are spent. ~~If~~ ~~half the~~ grant is anticipated to be used in the current fiscal year, the funds will be deposited into an income account when received.
- The ~~Accountant~~ ~~Controller~~ will review grant status with the grant ~~recipient at~~ ~~recipient at~~ fiscal year-end to determine and record the amount to be carried forward to the next year. Unexpended grant funds (i.e., for grants that cover more than one fiscal year) will be moved to a ~~liability~~ ~~liability~~ account at fiscal year-end by the ~~Accountant~~ ~~Controller~~. This net amount would be adjusted for any expenses not charged as direct expense (i.e., salary/benefits, rent/office space) but included in the grant. The ~~Accountant~~ ~~Controller~~ will move those funds to the income account in the appropriate cost center as the related grant expenses are incurred.
- Expenses will be charged to an expense account within the same cost center.
- **WSBA may charge an administrative fee. The fee amount would be determined by the grant requirements.**
- Awarded Grants will be included within the appropriate cost center's income and expense categories in the annual budget process for that particular fiscal year.

Commented [JP165]: Have we ever charged this admin fee? If so how do we calculate it?

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Public Records Access and Fee Policies

WSBA's public records policies and procedures are set forth at <http://www.wsba.org/About-WSBA/Contact-Us/Request-Public-Bar-Records>.

Submitting Matters to the Board of Governors for Action

Pursuant to the WSBA Bylaws, the Board of Governors (BOG) is the governing body of the Bar that determines the general policies of the Bar and approves its budget each year. In January, 2020, the BOG adopted a policy entitled Board of Governors Policy RE: Requests for Action (Page 195). The policy to sets forth the preferred process for submitting matters to the Board for action. The portions of that policy relevant to the fiscal policies are provided as follows:

3. Analysis. When a matter has been requested by a WSBA entity or has been approved for further exploration by a BOG Committee, the Executive Director will ensure that the matter is analyzed, including fiscal impact, stakeholder analysis and input, rule compliance, and implementation implications. A reasonable amount of time should be provided for this analysis taking into account the scope, magnitude, and relative novelty of the request. This information will be shared, as appropriate, to aid in the Board's decision-making.

Requests Requiring Amendment to the WSBA Budget

Changes to the WSBA Budget should not be approved without a rigorous review of the pros, cons and impacts of said change. As such, any request, proposal, change or suggestion that would require a change to the WSBA budget that arises during a meeting or has not been subject to analysis as described above, should be tabled until the next BOG meeting in order to provide time for that analysis.

The review will be performed by the Treasurer, Director of Finance, HR Director, WSBA President, and the Executive lead for the department affected. The review and potential request will be taken to the Budget and

Audit committee for discussion and analysis. The committee's recommendation(s), are intended to be completed and delivered to the BOG for approval in its next meeting.

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Chapter 8: Summary of Internal Accounting Controls (procedure)

Bank Accounts

- The Board of Governors approves banking authorities.
- The Bank is notified timely of signature changes.
- The Accounting employee who makes the daily deposit is someone other than the employee who processes the receipts.
- The A/P Bookkeeper or Controller do not have signing authority to any WSBA bank accounts.
- Check signers are independent of check preparation.

Bank Reconciliations

- Bank statements are delivered to the appropriate independent person unopened or provided via online access
- WSBA employees reconciling the bank accounts are not involved in day-to-day processing of receipts or expenses.
- Bank reconciliations are generally completed by the 20th working day of each month.
- Copies of completed bank reconciliations are distributed to the Chief Financial Officer and Controller for review.
- A detailed process is followed for checks outstanding for over 90 days.

Investments

- Investment guidelines are approved by the Board of Governors.
- WSBA employees authorized to invest are approved by the Board of Governors.
- All investment paperwork is kept in a safe location.
- All investments are under the name of the Washington State Bar Association or the Client Protection Fund.
- Detailed records are kept on each investment (for example, purchase date, maturity date, interest rate, annual percentage yield, how interest will be paid, purchase price, name of institution, etc.).
- Detailed records are kept by someone other than the person who authorized the investment.

Cash/Check Handling

- Incoming mail is initially opened by two employees (Production employees) with no access to accounting records.
- The cash/check processing is always done by a minimum of two WSBA employees.
- The process results in a daily grand total which is balanced once all receipts are processed.
- WSBA employees do not count/tally a category of receipts they would then process.
- All checks are locked up in a secure location until they are deposited into the bank. Only authorized Accounting employees have access.
- Daily receipts are deposited into the bank by the end of each day.
- Cash received at the front desk is recorded on the log sheet.
- Cash received at the front desk is locked up when the office is closed.
- Payments (checks, cash, or credit card info.) and backup from an outside event are collected by WSBA employees at the event and turned into Accounting the first day the employees return to the office.

Petty Cash

- Petty Cash boxes are kept in a secure location – always locked when the office is closed.
- Access to Petty Cash is limited to a small number of employees who do not process receipts.
- Petty Cash boxes are audited regularly by someone without regular access to the box.
- Reimbursements for petty cash expenditures up to \$30 or \$50 are disbursed by a limited small number of employees.
- Petty Cash forms must be completed with documentation and approval before funds can be disbursed.
- Petty Cash will be replenished by completing a Check Request and being processed through the Accounts Payable process.
- IOU's, employee advances, and check cashing are not allowed.
- Petty Cash boxes are kept separate and not mingled with any other cash.

Credit Card Information

WSBA will take necessary steps to ensure it complies with federal and state laws regarding the protection of credit card information (payment card industry data security processing standards). The following general guidelines shall be followed:

- Where possible and feasible, the preferred method of receiving credit card information is from customers/members online whereby the credit card numbers are never seen by employees. Therefore, WSBA shall attempt to provide as many of its products and services online as is possible.
- Where credit card information is received in the mail on WSBA forms, via email, through a walk-in, or by telephone, the following guidelines apply:
 - Employees shall take care to adequately secure, in a locked location, any credit card information until it is processed by **Accounting** (see specific procedures in Chapter 5). Employees may lock such information in drawers or cabinets or use lockboxes provided in Accounting, the Service Center, and EOD/CLE. The fewer people that handle credit card information, the better.
 - After the credit card information is entered into Personify, where the payment is processed, it shall be thoroughly redacted from the form before scanning, sending to other departments, or storage.
 - Original forms containing redacted credit card information that are maintained by departments outside Accounting shall be kept in a locked location until they are destroyed.
- Employees do not have access to credit card numbers stored in the Personify database or Cyber source because the numbers are encrypted for security.
- Credit card numbers and payment information is not subject to public disclosure and should never be given to anyone outside of the WSBA.

Accounts Receivable

- All invoiced items will be processed through the accounting software.
- Any adjustments must be approved by appropriate department director.

Cash Disbursements

- Checks are pre-numbered and used in sequence.
- Blank check stock is locked up and access is limited.
- A/P Bookkeeper does not have authority to approve or change expense requests.
- A/P Bookkeeper audits reimbursement forms (Check Requests, Expense Reports, and Petty Cash Slips) for accuracy and adherence to policy.
- A/P Bookkeeper ensures each Check Request or Expense Report has been approved by an authorized employee.
- All checks are processed through the accounting software system.
- Blank checks are not signed.
- Checks are always made payable to a person or company - never to cash or bearer.
- Checks presented for signature include backup explaining the reason for the check.
- A copy of the check is attached to the backup and filed in the 'paid' file.
- Voided/spoiled checks are stamped 'void' and maintained in locked cabinet for safekeeping.

Check Signature Stamp Policy

This Check Signature Stamp Policy is designed to speed up the check signing process while providing adequate internal controls over the signature of checks. This policy is only applicable to the Executive Director; other check signers must personally sign the checks. The Check Request will be initialed by the Executive Director, indicating approval to stamp the checks. The Executive Director will then contact Finance & Administration Administrative Assistant, who will pick up the checks, stamp them, and mail them. Any checks that have not been approved will be given to the A/P Bookkeeper for further review.

Exception: Any checks over \$10,000.00 require two signatures and will be hand signed by both signers and included for mailing with the regular checks.

The only person with access to the signature stamp will be ~~the Finance~~ the Finance & Administration Administrative Assistant, who will keep it locked up at all times. At no time should the Controller or the A/P Bookkeeper have access to the stamp.

Miscellaneous

- A/P, A/R and General Ledger functions are performed by separate employees.

Chapter 9: Client Protection Fund

Accounting Policy

In 1995, the Washington Supreme Court and the WSBA created the Client Protection Fund ("Fund"). The Fund may be used for the purpose of relieving or mitigating a loss sustained by any person due to the dishonesty of, or failure to account for money or property entrusted to, any member of the WSBA in connection with the member's practice of law, or while acting as a fiduciary in a matter related to the member's practice of law. The Fund is governed by Admission to Practice Rule 15.

The Fund is maintained as a trust, separate from other funds of the WSBA. The Fund has its own checking/savings account and investment accounts. The Fund is maintained as a restricted fund on WSBA's books (designated as a separate cost center in the general ledger). The Fund is completely self-supporting – it receives no revenue from the WSBA or other entities. The Fund cannot expend more than it has collected.

Revenue Procedures

Court-Ordered Assessment

Each active lawyer and LLLT WSBA member, and some other licensees, pay an annual assessment to the Fund; this is the Fund's main source of revenue. Assessment amounts are set by Supreme Court Order, based on recommendations by the WSBA Board of Governors. Assessments are invoiced with each active member's, or licensee's, license fee and are deposited in the WSBA general checking account. During the closing period at each month end, the Accountant makes a journal entry in the general ledger to transfer the assessments received that month from the WSBA general checking account to the CPF checking account. This amount is transferred by the Controller from the WSBA checking account to the CPF checking account.

Investment Revenue

The Fund's excess cash is invested in accordance with WSBA's Investment Policy. Journal entries for the Fund's investment income are prepared by the Budget and Finance Manager and given to the Accountant for posting.

Restitution Revenue

The Fund attempts to recover its payments from the members on whose behalf gifts are made, and thus receives some restitution payments. These payments are deposited in the Fund's checking account when received, and recorded in the Fund's restitution general ledger revenue account.

Expense Procedures

The Fund's major expense is gifts made to injured clients. Applicants request a gift by completing and submitting an application form; the Client Protection Board makes gifts and recommends gifts requiring approval to the trustees. Once a gift is approved, the applicant must sign a subrogation agreement. The Client Protection Fund Analyst prepares a Check Request and submits it to the A/P Bookkeeper, who prepares checks payable from the CPF checking account. The Accountant makes the appropriate journal entries on the CPF general ledger. The maximum gift allowed is \$150,000.00. Gifts for more than \$5,000.00 are split into an initial payment and a second payment at the end of the fiscal year. This is one of the controls on the Fund. If necessary, the year end payments are pro-rated by the Board of Governors to maintain the fund viability.

The Fund also pays its administrative costs, which consist of its share of WSBA salaries, benefits and overhead (indirect) expenses, and expenses of the CPF Committee, which oversees the Fund and approves payments. These expenses are recorded at the end of each month.

The Accountant prepares a preliminary Statement of Activities for the Fund each quarter end to determine the liability to the WSBA general fund for CPF expenses paid that quarter by the WSBA. Once that amount is determined, the Accountant gives the reimbursement amount to the Controller, who transfers the reimbursement amount from the CPF checking account to the WSBA checking account.

Commented [JS166]: Do we have a definition of excess cash?

Commented [KP167]: Delete if we can't determine excess cash.

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Commented [JS168]: Should this include the detailed PN3 procedures?

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Procedure for Financial Reports

Each quarter, the Accountant prepares a Statement of Financial Position and a final Statement of Activities, for the quarter and year-to-date, and a Statement of Changes in Net Assets for the year-to-date. These statements are sent to the Assistant General Counsel assigned to work with the Client Protection Board, who reviews them with the CPF Committee. Annually, these financial reports are included in the annual CPF report to the Board of Governors and the Court

Chapter 9: Client Protection Fund (Sent to Doug for Review)

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Commented [AF169]: Let me know if Doug proposes any changes

Accounting Policy

In 1995, the Washington Supreme Court and the WSBA created the Client Protection Fund ("Fund"). The Fund may be used for the purpose of relieving or mitigating a loss sustained by any person due to the dishonesty of, or failure to account for money or property entrusted to, any member of the WSBA in connection with the member's practice of law, or while acting as a fiduciary in a matter related to the member's practice of law. The Fund is governed by Admission to Practice Rule 15.

The Fund is maintained as a trust, separate from other funds of the WSBA. The Fund has its own checking/savings account and investment accounts. The Fund is maintained as a restricted fund on WSBA's books (designated as a separate cost center in the general ledger). The Fund is completely self-supporting—it receives no revenue from the WSBA or other entities. The Fund cannot expend more than it has collected.

Revenues

Each active WSBA member must pay an annual assessment to the Fund; this is the Fund's main source of revenue. Assessment amounts are set by the Supreme Court, based on recommendations by the WSBA Board of Governors. Assessments are invoiced with each active member's license fee and are deposited in the WSBA general checking account. During the closing period at each month end, the Accountant/Controller makes a journal entry in the general ledger to transfer the assessments received that month from the WSBA general checking account to the CPF checking account. This amount is transferred by the Controller from the WSBA checking account to the CPF checking account.

The Fund's excess cash is invested in accordance with WSBA's Investment Policy. Journal entries for the Fund's investment income are prepared by the Budget and Finance Manager and given to the Accountant/Controller for posting.

The Fund attempts to recover its payments from the lawyers on whose behalf gifts are made, and thus receives some restitution payments. These payments are deposited in the Fund's checking account when received, and recorded in the Fund's restitution general ledger revenue account.

Expenses

The Fund's major expense is gifts made to injured clients. Clients make application for a gift by completing and submitting an application form; the CPF Committee employee liaison makes recommendations and the CPF Committee and/or trustees approve applications. Once approved, the applicant must sign a subrogation agreement. The CPF Committee employee liaison prepares a Check Request and submits it to the A/P Bookkeeper, who prepares checks payable from the CPF checking account. The Accountant/Controller makes the appropriate journal entries on the CPF general ledger.

The Fund also pays its administrative costs, which consist of its share of WSBA salaries, benefits and overhead (indirect) expenses, and expenses of the CPF Committee, which oversees the Fund and approves payments. These expenses are recorded at the end of each month.

The Accountant/Controller prepares a preliminary Statement of Activities for the Fund each quarter end to

determine the liability to the WSBA general fund for CPF expenses paid that quarter by the WSBA. Once that amount is determined, the AccountantController gives the reimbursement amount to the Controller, who transfers the reimbursement amount from the CPF checking account to the WSBA checking account.

Financial Reports

Each quarter, the Accountant/Controller prepares a Statement of Financial Position and a final Statement of Activities, for the quarter and year-to-date, and a Statement of Changes in Net Assets for the year-to-date. These statements are sent to the CPF employee liaison who reviews them with the CPF Committee. Annually, these financial reports are included in the annual CPF report to the Board of Governors.

Chapter 10: Sections

Overview of Section Funds

WSBA has unrestricted, designated, and restricted fund balances. See Chapter 4, Unrestricted and Restricted Fund Balance Policy. All funds collected by the WSBA on behalf of a Section are subject to the control and fiscal oversight of the Board of Governors. Beginning in fiscal year 1994, the Board directed that the total difference between revenues, and direct and indirect expenses, for all Sections each year be designated as Section funds. Indirect expenses are that portion of the WSBA's employees' time and overhead expenses attributed to support of and work for the Sections (reimbursed through the "per-member" charge). Separate ledgers will be maintained for each Section, making up the total for the Section funds.

It is recommended that a Section's fund balance be consistent with its future needs. Generally, the purposes of a fund balance are to:

- Provide a cushion for an unexpected shortfall in revenue.
- Provide a cushion for an unexpected expense.
- Provide for a specific future event that does not occur annually.
- Provide the ability to take advantage of an unforeseen unique opportunity.

A Section's fund balance should be enough to sustain a consistent level of programming in the event there are severe fluctuations in annual Section membership (six months' worth of direct programming expenses are recommended as a guideline). In addition, a Section may plan for specific stated purposes (e.g., scholarships, special events, conferences, publications, and other member benefits). Sections are discouraged from maintaining fund balances in excess of two years' worth of direct programming expenses and specified purposes.

If a Section finds it has accumulated a larger fund balance than recommended above, Section leadership should devise a plan to spend down the fund balance by budgeting and incurring a loss in one or more subsequent fiscal years. Some suggestions are as follows:

- Reduce member dues.
- Subsidize the cost of full-day seminars by reducing the cost per member (the Section will pay the difference between the standard seminar price and what the Section would like to charge).
- High visibility or national-level speaker for a CLE program.
- Scholarships for law school students.
- Special educational projects (e.g., youth courts, mock trial programs, law school events).
- Improve membership resources (e.g., newsletters, website, law updates, handbooks, publications).
- Annual grant program to help support work of community-based programs providing access to civil legal services.
- Produce or sponsor law-related public information (e.g., Citizens' Rights brochures, sponsor lawforwa.gov website or votingforjudges.org, TVW's "TheDocket").
- Donate to Washington State Bar Foundation.
- Sponsor projects through the Washington State Bar Foundation.

Commented [JU170]: This range I believe has changed and can continue to fluctuate, so it might be best to remove any specific dollar amounts when referencing CLE standard seminar tuition prices.

Commented [KP171R170]: The CLE pricing is determined by the BOG and has been the same for several years but is more than the costs reflected here. I would agree that we should remove specific amounts because the pricing could change.

Commented [JU172]: Is this even a thing? It might be good to just generally say donate to WSB Foundation.

Commented [JU173]: Is this also still a thing?

Commented [KP174R173]: I would agree that the fiscal policy should avoid naming specific programs because they can change or terminate. In this case it would be best to say WA State Bar Foundation and leave out program names.

Executive Committees' Fiscal Responsibility

Each Section is entrusted with funds that are paid by its members as dues and that are the fruits of volunteer efforts (such as the Section's share of revenues from CLE programs and mid-year/annual meetings). Each Section's Executive Committee is charged with the duty of approving Section expenditures. As stewards of the Section's finances, the Committee should be responsible in authorizing expenditures in accordance with WSBA and Section policies.

Section Budgets

WSBA's and the Sections' fiscal year is October 1 through September 30. Section budgets are approved annually by the Board of Governors as part of the WSBA's annual budget. See Chapter 1, Key Fiscal Policies – Budget Policies and Process.

Monthly Financial Reports

Monthly financial statements will be sent to each Section chair, chair-elect, treasurer, and/or other executive committee members as requested by the section's executive committee, within a reasonable time after the close of each month with the exception of September due to the close of the fiscal year-end. These summary reports will show the Section's annual budget, actual monthly revenue and expenses, and year-to-date revenue and expenses. A detail report of posted transactions will also be provided. Section chairs, chairs-elect, and treasurers should review their Sections' monthly financial statements for accuracy and comparison to budget, and contact the Section's staff liaison if they have any questions about the amount of an income or expense item, the category in which it is recorded, or any other concerns.

Commented [KP175]: I changed it slightly. We will send the statements (it isn't a recommendation) but the timing is what isn't set in concrete always. Saying "within a reasonable time" seems reasonable.

Section Revenue

Member Dues

Section member dues are collected by the WSBA throughout the year. Each fall, membership renewal forms are sent to all WSBA active members and Section members from the prior fiscal year.

Interest Earned on Section Fund Balances

Annually, each Section may receive interest income on its fund balance. The calculation and journal entry will be made at the close of WSBA's fiscal year, prior to the annual audit of WSBA's financial statements. Each Section's share of interest income will be determined by taking the average interest rate earned by WSBA on its investments that fiscal year (excluding investments of reserve funds) and applying that rate to the average of the final year-end fund balance of each Section in the current and preceding fiscal years.

Commented [JU176]: Given that interest isn't always guaranteed e.g. see this past fiscal year, I suggest using more permissible as opposed to mandatory language.

WSBA CLE and Programs Presented in Partnership with Sections (updated and approved by the Board of Governors on July 27, 2018)

Programs Co-sponsored with Sections

The goal of all WSBA CLE programs is to support the mission and strategic goals of the organization. WSBA Sections are an important partner in these efforts. WSBA retains fiscal reserves ("WSBA CLE Fund") to mitigate against changes in the CLE market, sustain and improve important technology required for the delivery of CLE programs, and protect against unexpected revenue shortfalls.

Net seminar and any associated net on-demand product revenue for all WSBA CLE programs developed in partnership with Sections (excluding mini-CLEs) will be split between the WSBA CLE Fund and the partnering Section's cost center. Beginning with seminars delivered in FY19, net revenues will be split 50-50 (%) between the WSBA CLE Fund and the partnering Section's cost center, up to a total net revenue of \$8,000. Net revenue exceeding \$8,000 will be split 65% to WSBA and 35% to the Section. WSBA will absorb any net losses sustained by individual programs.

In calculating net revenue, WSBA will subtract all direct and indirect costs for the development of the live program and on-demand product from the gross revenue of the live program and on-demand product sales. WSBA will keep the Section informed of the program financials in a timely and transparent manner. Following each fiscal year's close, the partnering Section will receive its portion of any net revenue earned in that fiscal year, based on audited financial statements.

Because the CLE market is dynamic, WSBA and the Sections will annually review overall results and may seek to adjust the revenue sharing terms set forth in this policy to ensure that CLE programming and WSBA CLE Fund reserves are sustainable.

Mini-CLEs

WSBA CLE also supports Section CLE programming through a "Mini-CLE" model. Mini-CLEs are seen as exclusively member-benefit programs. They do not exceed 2.0 credit hours in length and registration fees must be \$35 or less. For Mini-CLEs, WSBA staff provides limited assistance at no charge to the Section (e.g., program accreditation, reporting, and attendance tracking). Sections do much more of the preparation and production of seminars than regular CLE programming, and are responsible for working in collaboration with WSBA (e.g., following procedures outlined including timely notice, providing onsite registration personnel).

Section Expenses

A WSBA Section, by duly authorized act of the governing board or committee of the Section, shall be authorized to expend all money as budgeted without prior approval by the Board of Governors, provided the following conditions have been met:

- The expenditure is consistent with the approved budget and WSBA expense policies;
- The expenditure is within the goals of WSBA as defined by Supreme Court Rule and the Bylaws; and
- The expenditure does not violate the restricted acts of WSBA as defined by Supreme Court Rule, or WSBA or Section Bylaws.

If a Section wishes to spend funds otherwise (in excess of \$500.00 over budgeted amount), Section leadership should prepare a written request outlining the purpose and amount of the proposed expenditure and submit it to the Section's staff liaison who will submit it to the Director of Finance and Director of Advancement for review and approval.

Per-Member Charge

Each Section shall reimburse WSBA for the cost of administering the various Sections through an annual per-member charge. See Chapter 6, Expenses – Functional Accounting/Allocation of Indirect Expenses for details.

Expenses in Excess of Annual Budget

Personal Liability. (WSBA Bylaws as updated and approved by the Board of Governors) Article V (B) 2 of the WSBA Bylaws states: "The financial obligation of the Bar to any Bar entity is limited to the amount budgeted and ceases upon payment of that amount unless the BOG authorizes otherwise."

Article V (B) 3 of the WSBA Bylaws states: "Any liability incurred by any Bar entity, or by its members, in excess of the funds budgeted, will be the personal liability of the person or persons responsible for incurring or authorizing the liability."

Article V (B) 4 of the WSBA Bylaws states: "Any liability incurred by any Bar entity, or by its members, not in accordance with the policies of the BOG or in conflict with any part of these Bylaws, will be the personal liability of the person or persons responsible for incurring or authorizing the liability"

Expenses Over Budget – Director of Finance Approval

Once a Section has incurred its budgeted expenses for the year and spent any additional unbudgeted revenue, no further expenses for the Section will be paid unless a spending plan for the remainder of the fiscal year is approved by the Directors of Finance and Advancement. Requests for additional expenses and a spending plan shall be submitted in writing to the Section’s staff liaison who will submit it to the Director of Finance and Director of Advancement for review and approval.

Expenses Over Budget – WSBA Executive Director Approval

Unbudgeted expenses may not deplete the Section’s reserve balance to less than 25% of the preceding fiscal year’s expenditures. Approval by the WSBA Executive Director is required for unbudgeted expenses which total 25% or more of the Section’s annual expense budget or \$1,000, whichever is greater. Requests for such expenditures shall be submitted in writing and approved prior to incurring an obligation for them. The Section leadership shall complete an Approval of Section Expenses in Excess of Annual Budget Form and submit it to the Section’s staff liaison. The Section’s staff liaison will inform the Section of the approval (or denial) of their request after review by the WSBA Executive Director.

Commented [KP177]: Per recommended changes in above fiscal policies changed from WSBA Treasurer to WSBA Executive Director.

Commented [JU178]: Do we still have this form?

Expense Policies for WSBA Sections (updated and approved by the Board of Governors on July 23, 2016)

Sections shall comply with the expense policies of the WSBA (see Chapter 6, Expenses).

Chapter 10: Sections (Sent to Kevin for review)

Commented [AF179]: Let me know if Kevin has any proposed changes

Overview of Section Funds

~~WSBA has unrestricted, designated, and restricted fund balances. See Chapter 4, Unrestricted and Restricted Fund Balance Policy. All funds collected by the WSBA on behalf of a Section are subject to the control and fiscal oversight of the Board of Governors. Beginning in fiscal year 1994, the Board directed that the total difference between revenues, and direct and indirect expenses, for all Sections each year be designated as Section funds. Indirect expenses are that portion of the WSBA’s employees’ time and overhead expenses attributed to support of and work for the Sections (reimbursed through the "per member" charge). Separate ledgers will be maintained for each Section, making up the total for the Section funds.~~

~~It is recommended that a Section’s fund balance be consistent with its future needs. Generally, the purposes of a fund balance are to:~~

- ~~Provide a cushion for an unexpected shortfall in revenue.~~
- ~~Provide a cushion for an unexpected expense.~~
- ~~Provide for a specific future event that does not occur annually.~~
- ~~Provide the ability to take advantage of an unforeseen unique opportunity.~~

~~A Section’s fund balance should be enough to sustain a consistent level of programming in the event there are severe fluctuations in annual Section membership (six months’~~

~~worth of direct programming expenses are recommended as a guideline). In addition, a Section may plan for specific stated purposes (e.g., scholarships, special events, conferences, publications, and other member benefits). Sections are discouraged from maintaining fund balances in excess of two years' worth of direct programming expenses and specified purposes.~~

~~If a Section finds it hasit has accumulated a larger fund balance than recommended above, Section leadership should devise a plan to spend down the fund balance by budgeting and incurring a loss in one or more subsequent fiscal years. Some suggestions are as follows:~~

~~Reduce member dues.~~

~~Subsidize the cost of full-day seminars by reducing the cost per member (the Section will pay the difference between the standard seminar price (\$199 or \$225) and what the Section would like to charge).~~

~~High visibility or national-level speaker for a CLE program.~~

~~Scholarships for law school students.~~

~~Special educational projects (e.g., youth courts, mock trial programs, law school events).~~

~~Improve membership resources (e.g., newsletters, website, law updates, handbooks, publications).~~

~~Annual grant program to help support work of community-based programs providing access to civil legal services.~~

~~Produce or sponsor law-related public information (e.g., Citizens' Rights brochures, sponsor lawforwa.gov website or votingforjudges.org, TVW's "The Docket").~~

~~Donate to Washington State Bar Foundation's Loan Repayment Assistance Program (LRAP).~~

~~Sponsor WSBA's Leadership Institute Fellows' projects through the Washington State Bar Foundation.~~

Executive Committees' Fiscal Responsibility

Each Section is entrusted with funds that are paid by its members as dues and that are the fruits of volunteer efforts (such as the Section's share of revenues from CLE programs and mid-year/annual meetings). Each Section's Executive Committee is charged with the duty of approving Section expenditures. As stewards of the Section's finances, the Committee should be responsible in authorizing expenditures in accordance with WSBA and Section policies.

Section Budgets

WSBA's and the Sections' fiscal year is October 1 through September 30. Section budgets are approved annually by the Board of Governors as part of the WSBA's annual budget. See Chapter 1, Key Fiscal Policies — Budget Policies and Process.

Monthly Financial Reports

Monthly financial statements will be sent to each Section chair, chair-elect, and treasurer within 30 days of the close of each month with the exception of September due to the close of the fiscal year end. These summary reports will show the Section's annual budget, actual monthly revenue and expenses, and year-to-date revenue and expenses. A detail report of posted transactions will also be provided. Section chairs, chairs-elect, and treasurers should review their Sections' monthly financial statements for accuracy and comparison to budget, and contact the Section Leaders Liaison if they have any questions about the amount of an income or expense item, the category in which it is recorded, or any other concerns.

Section Revenue Member Dues

Section member dues are collected by the WSBA throughout the year. Each fall, membership renewal forms are sent to all WSBA active members and Section subscribers from the prior fiscal year.

Interest Earned on Section Fund Balances

Annually, each Section will receive interest income on its fund balance. The calculation and journal entry will be made at the close of WSBA's fiscal year, prior to the annual audit of WSBA's financial statements. Each Section's share of interest income will be determined by taking the average interest rate earned by WSBA on its investments that fiscal year (excluding investments of reserve funds) and applying that rate to the average of the final year end fund balance of each Section in the current and preceding fiscal years.

WSBACLE and Programs Presented in Partnership with Sections (updated and approved by the Board of Governors on July 27, 2018)

Programs Co-sponsored with Sections

The goal of all WSBA CLE programs is to support the mission and strategic goals of the organization. WSBA Sections are an important partner in these efforts. WSBA retains fiscal reserves ("WSBA CLE Fund") to mitigate against changes in the CLE market, sustain and improve important technology required for the delivery of CLE programs, and protect against unexpected revenue shortfalls.

Net seminar and any associated net on-demand product revenue for all WSBA CLE programs developed in partnership with Sections (excluding mini-CLEs) will be split between the WSBA CLE Fund and the partnering Section's cost center. Beginning with seminars delivered in FY19, net revenues will be split 50-50 (%) between the WSBA CLE Fund and the partnering Section's cost center, up to a total net revenue of \$8,000. Net revenue exceeding \$8,000 will be split 65% to WSBA and 35% to the Section. WSBA will absorb any net losses sustained by individual programs.

In calculating net revenue, WSBA will subtract all direct and indirect costs for the development of the live program and on-demand product from the gross revenue of the live program and on-demand product sales. WSBA will keep the Section informed of the program financials in a timely and transparent manner. Following each fiscal year's close, the partnering Section will receive its portion of any net revenue earned in that fiscal year, based on audited financial statements.

Because the CLE market is dynamic, WSBA and the Sections will annually review overall results and may seek to adjust the revenue sharing terms set forth in this policy to ensure that CLE programming and WSBA CLE Fund reserves are sustainable.

Mini-CLEs

WSBA CLE also supports Section CLE programming through a "mini-CLE" model. Mini-CLEs are seen as exclusively member-benefit programs. They do not exceed 2.0 credit hours in length and registration fees must be \$35 or less. For mini-CLEs, WSBA staff provides limited assistance at no charge to the Section (e.g. program accreditation, reporting and attendance tracking). Sections do much more of the preparation and production of seminars than regular CLE programming, and are responsible for working in collaboration with WSBA (e.g. following procedures outlined including timely notice, providing onsite registration personnel, etc.).

Section Expenses

A WSBA Section, by duly authorized act of the governing board or committee of the Section, shall be authorized to expend all money as budgeted without prior approval by the Board of Governors, provided the following conditions have been met:

The expenditure is consistent with the approved budget and WSBA expense policies;

The expenditure is within the goals of WSBA as defined by Supreme Court Rule or the Bylaws; and

The expenditure does not violate the restricted acts of WSBA as defined by Supreme Court Rule, or WSBA or Section Bylaws.

If a Section wishes to spend funds otherwise, Section leadership should prepare a written request outlining the purpose and amount of the proposed expenditure and submit it to the Section Leaders Liaison who will submit it to the Chief Financial Officer.

Per-Member Charge

Each Section shall reimburse WSBA for the cost of administering the various Sections through an annual per-member charge. See Chapter 6, Expenses – Functional Accounting/Allocation of Indirect Expenses for details.

Expenses in Excess of Annual Budget

Personal Liability, (WSBA Bylaws as updated and approved by the Board of Governors on September 30, 2016).

Article V (B) 2 of the WSBA Bylaws states: "The financial obligation of the Bar to any Bar entity is limited to the amount budgeted ceases upon payment of that amount unless the BOG authorizes otherwise."

Article V (B) 3 of the WSBA Bylaws states: "Any liability incurred by any Bar entity, or by its members, in excess of the funds budgeted, will be the personal liability of the person or persons responsible for incurring or authorizing the liability."

Article V (B) 4 of the WSBA Bylaws states: "Any liability incurred by any Bar entity, or by its members, not in accordance with the policies of the BOG or in conflict with any part of these Bylaws, will be the personal liability of the person or persons responsible for incurring or authorizing the liability"

Commented [AF180]: One big issue that has come up is the involvement of Section leaders early in the budget preparation process and training. I am interested in having a section devoted to this issue so as to provide notice and opportunity for learning.

Expenses Over Budget – Chief Financial Officer Approval

Once a Section has reached its budgeted expenses for the year and spent any additional unbudgeted revenue, revenue, no further expenses for the Section will be paid unless a spending plan for the remainder of the fiscal year is approved by the Chief Financial Officer. Requests for additional expenses and a spending plan shall be submitted in writing to the Section Leaders Liaison.

Expenses Over Budget – WSBA Treasurer Approval

Unbudgeted expenses may not deplete the Section's reserve balance to less than 25% of the preceding fiscal year's expenditures. Approval by the WSBA Treasurer is required for unbudgeted expenses which total 25% or more of the Section's annual expense budget or \$1,000, whichever is greater. Requests for such expenditures shall be submitted in writing and approved prior to incurring an obligation for them. The Section leadership shall complete an Approval of Section Expenses in Excess of Annual Budget Form and submit it to the Section Leaders Liaison. The Section Leaders Liaison will inform the Section of the approval (or denial) of their request after review by the WSBA Treasurer and the Chief Financial Officer.

Expense Policies for WSBA Sections (updated and approved by the Board of Governors on July 23, 2016)

Sections shall comply with the expense policies of the WSBA (see Chapter 6, Expenses).



Washington State Bar Association Fiscal Policies and Procedures Manual

New Date TBD

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Introduction

Purpose

The WSBA Fiscal Policies and Procedures Manual (Manual) contains all WSBA fiscal policies and procedures. [The fiscal policies encompass the rules by which financial transactions are classified and reported. The goal of these policies and procedures is to ensure accountability and regulatory compliance, sound financial management and data integrity practices.](#) The Manual is available to all WSBA employees, Board Of Governors and volunteers to promote organization-wide adherence to documented policies and procedures and [to abide with standard accounting practices.](#) The fiscal policies herein must be approved by the Board of Governors and all fiscal procedures set forth herein may be updated by the Executive Director and/or Director of Finance from time to time as procedures, information, or Generally Accepted Accounting Principles change.

Fiscal Year

The WSBA's fiscal year is October 1 through September 30.

Basis of Accounting

During the fiscal year, the WSBA uses a **combination of cash and accrual accounting**. The following items are recorded on a cash basis:

- Bar exam fees
- MCLE fees
- CPF assessment fees
- Miscellaneous revenue (Recovery of Discipline Costs, Diversions, Practice Fees, etc.)
- CLE seminar expenses
- Most other WSBA expenses

The following items are recorded on an accrual basis monthly:

- License fees
- CLE product sales revenue and cost of goods sold
- CLE seminar revenue
- Rent
- Insurance
- Personal Property Taxes
- Most payroll-related expenses
- Credit Card Expenses

WSBA Financial Statements are prepared on an **accrual basis** of accounting. Accrual accounting is an accounting method where revenue or expenses are recorded when a transaction occurs versus when payment is received or made. Therefore, items that may have already been paid and booked as an expense, but for which the corresponding revenue has not been collected or the benefit has not been received, will be moved to "Deferred Costs." Revenue that has not yet been earned will be moved into "Deferred Revenue."

WSBA's Internal Control System

An effective internal control system encourages adherence to prescribed policies; promotes operational efficiencies; protects the business assets from waste, fraud, and theft; and ensures accurate and reliable accounting data. The goal of this internal control system policy is to ensure that duties of individuals are separated so that no one person handles an entire transaction from beginning to end.

The broad principles of internal control are:

- Responsibilities should be clearly identified and established, with one person responsible for each task.
- Adequate records should be maintained. Good records are an important means of protecting assets, ensuring that employees follow prescribed procedures, and providing management with reliable information to monitor business operations.
- Assets should be safeguarded, protected and insured.
- To ensure data integrity, staff responsible for accounting records keeping duties shall be separate and distinct from those responsible for maintaining the asset, be it a physical asset or a virtual asset such as credit card information.
- Responsibility for related transactions should be divided. This provides checks and balances for the related tasks (i.e., the work of one employee acts as a check on another).
- Computerized and mechanical devices should be used whenever possible as they reduce the human error and intentional inaccuracy in routine tasks.
- Regular reviews of the system of internal controls should be conducted, to ensure organizational compliance with policies and procedures.

See Chapter 8 for more details on the WSBA's internal control policies.

Chapter 1: Key Fiscal Policies

Rationale: Key Fiscal Policies are enacted to ensure there is support and rules for operational actions where the fiscal integrity of the WSBA may be at risk. Key Fiscal Policies also intend to ensure a consistent treatment of matters as they relate to fiscal operations of the WSBA.

Responsibility for WSBA Finances

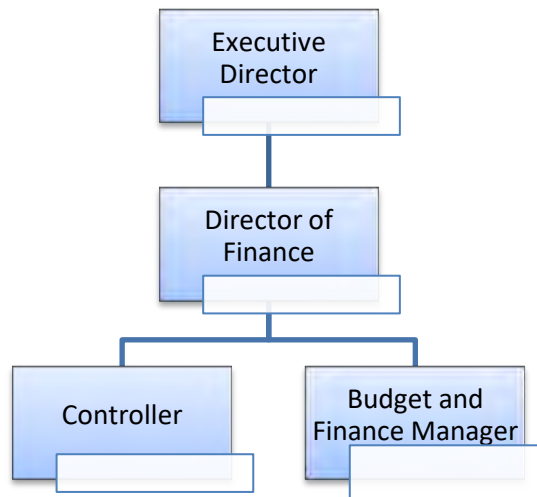
Fiscal Management

The Budget and Audit Committee of the Board of Governors oversees budgeting and financial matters of the Bar. The Director of Finance serves on the Budget and Audit Committee and is in charge of the Bar's financial operations.

WSBA management is responsible for producing complete, accurate financial statements. The Finance and Administration Department is delegated the responsibility to implement WSBA's fiscal policies by performing the accounting and finance functions for the WSBA.

Department directors are responsible for preparing their department/cost center budgets, monitoring their monthly financial statements, reviewing back up for accuracy, collecting revenue or receivables related to their cost centers, approving expenses, and enforcing the WSBA's expense policies. These tasks may be delegated to others, but department directors are ultimately responsible for the fiscal issues related to their departments.

The structure of the Finance and Administration Department is set forth below (these positions are referred to throughout the Manual):



Board of Governors

With ultimate responsibility for the fiscal health of the WSBA, the Board of Governors approves or sets all *significant* fiscal policies. The following policies are deemed to be significant and must be approved by the Board of Governors:

- Budget and Audit Committee Charter (Chapter 1)
- Approval of the Fiscal Responsibilities Matrix (Chapter 1)
- Budget Policies (Chapter 1)
- Selection of Independent Auditors (Chapter 1)
- Investment Policy (Chapter 2)
- Resolution Authorizing Banking Relationships (Chapter 2)
- Unrestricted and Restricted Fund Balance Policy (Chapter 4)
- General Expense Reimbursement Policy and Philosophy (Chapter 6)
- Purchase of Alcohol for Bar Functions (Chapter 6)
- Expense Policies for the WSBA Officers and Board of Governors (Chapter 6)
- Executive Director Expense Policies (Chapter 6)
- Any other policies that may be approved and established by the Board of Governors from time to time to ensure sound accounting principles and good governance

Board of Governors Budget and Audit Committee Charter

Rationale

The purpose of the Budget and Audit Committee is to take actions as empowered by the Board of Governors and review and make recommendations to the Board of Governors on financial matters of the WSBA as outlined in the Fiscal Responsibilities Matrix as noted in this policy.

Composition

The voting members of the Budget and Audit Committee shall consist of the following: at least one governor from each class, not to exceed seven governors, one of whom shall be the Treasurer; the President; and President-elect. The Executive Director and Director of Finance shall serve as *ex officio*, non-voting members of the Budget and Audit Committee. The Board of Governors elects the Treasurer of the WSBA, who also serves as chair of the Budget and Audit Committee.

Duties

Annual Budget and Long Range Financial Planning

1. Review and revise drafts of the WSBA's annual budget and recommend approval of a final budget to the Board of Governors.
2. Review long-range financial projections and the revenues, including member license fees, needed to meet long-range needs. Make recommendations to the Board of Governors for increases in license fees when necessary.
3. Recommend to the Board of Governors as needed timely forecasts for the year including annualized impacts of unforeseen matters to the current budget.
4. Review and deliver fiscal analysis of any unbudgeted programs or projects sanctioned by the Board of Governors throughout the Fiscal Year

Approvals

1. Approve expenditures within limits and parameters set forth in this policy as well as the Fiscal Responsibilities Matrix.

Financial Reports

1. On a monthly basis, review the interim management financial reports and report highlights, key information, major variances from budget, and any concerns of the Board of Governors. Recommend corrective action as needed.
2. Review the preliminary year-end management financial reports and report results compared to budget to the Board of Governors.
3. Review status and performance of investments per the WSBA Investment Policy.

Annual Audit

1. Recommend to the Board of Governors the engagement of the independent auditors to perform the annual audit of the WSBA's financial statements.
2. Meet annually with the independent auditors to receive their report on the audit of the financial statements and review their recommendations for improvements on internal controls.
3. Recommend to the Board of Governors the engagement of independent auditors/ to perform other reviews, when deemed appropriate.

Recommend Significant Financial Policies

1. Recommend to the Board of Governors the WSBA's Investment Policy.
2. Recommend to the Board of Governors the WSBA's Fiscal Policies.

Quorum

A quorum shall consist of a simple majority of the voting members.

Budget and Audit Facilities Advisory Subcommittee Charter

Purpose

The purpose of the Facilities Advisory Subcommittee is to advise the Budget and Audit Committee on issues related to the WSBA's facility needs (i.e., lease or ownership of real estate to meet WSBA operational needs). The Sub-committee shall seek to examine how efficiently WSBA facilities are being used, how much revenue is being generated through the use of buildings and equipment, track the condition of assets and suggest adequate funds to be earmarked for replacement or repair so as to avoid unexpected expenses for which funds may not be readily at hand from current revenue. The Facilities Advisory Committee is an advisory sub-committee only and has no decision-making authority.

Composition

The voting members of the Facilities Advisory Subcommittee and associated terms are as follows:

- Treasurer (chair/1-year term);
- Executive Director (permanent member);
- Director of Finance (employee liaison/permanent member);
- Two members of the Budget and Audit Committee (1-year term)

The Facilities and Advisory Subcommittee shall endeavor to seek guidance and counsel from experts in the area of Real Estate when considering key matters as defined by the Chair. These areas of expertise include but are not limited to:

- No fewer than three representatives from the real estate industry with experience in one or more of the following (2 year terms):
 - Real estate law (i.e., real estate attorney)
 - Commercial real estate brokerage,
 - Commercial real estate appraisal
 - Commercial construction management
 - Architecture and/ or space planning
 - Commercial real estate lending

Conflict of Interest

No voting member of the Facilities Advisory Committee will be eligible for any business contract or other business arrangement with the Washington State Bar Association relating to any matter that is within the scope of the sub-Committee's activities, so as to avoid any conflict of interest. No former voting member of the Facilities Advisory sub-Committee will be eligible for any business contract or other business arrangement with the Washington State Bar Association relating to any specific transaction or proposed transaction that was considered by the Committee while that person was a voting member.

All voting members of the Facility Advisory Subcommittee will be bound by the Board of Governors Conflict of Interest policy as amended.

Appointment Process

The Treasurer, Executive Director, and Chief Financial Officer shall serve as *ex officio* members. The members of the sub-committee shall be appointed from current members of the Budget and Audit Committee by the Treasurer.

Activities

WSBA Facilities Strategy

1. Define and periodically review the facilities needs of the WSBA.

2. Identify key facilities decisions to be taken over a 10-year period and relevant market factors.
3. Review current and future estimated real estate market conditions and analyze how these conditions may affect the WSBA's decisions in connection with the ownership and/or lease of real estate.
4. Review proposed options and provide recommendations for dealing with end-of-lease and other transition issues, such as, for example, whether to renew the existing lease or look for new space and considerations relating to relocation of WSBA offices and other functions.
5. Twice a year the advisory committee will update the Budget and Audit committee with any matters related to facilities.

WSBA Facilities Reserve Fund

1. Periodically review the balance in the Facilities Reserve Fund and analyze whether such balance is prudent and adequate in relation to identified needs and decisions, current market conditions, future market projections, time remaining until the end of current lease, etc.
2. Make recommendations as to target Facilities Reserve Fund balances at future points in time, and suggest strategies and/or funding policies for meeting those targeted balances.

Quorum

A quorum shall consist of a majority of the voting members

Fiscal Responsibilities Matrix

The objective of the Fiscal Responsibilities Matrix is to set forth levels of authority that will be followed by the WSBA to promote transparency and appropriate internal controls. The Fiscal Responsibilities Matrix should also assist in providing an efficient management structure, and appropriate oversight of the Bar's financial activity.

Executive Director

According to WSBA bylaws, the Executive Director is responsible for managing the office and activities of the Bar under the direction of the Board of Governors, with power to employ and compensate employees within limits of the budget. In terms of managing the budget, the following guidelines shall apply (Note: approval authority may be exercised or delegated to the next higher authority at the discretion of the decision-maker):

Authority: The Executive Director is authorized to establish deposit and credit relationships, withdraw WSBA funds from banks, sign checks, and invest excess cash. Signatory authority may be delegated to any department director(s) except the Director of Finance.

The authority to make bank deposits, invest funds in accordance with the Investment Policy, and transfer funds between established accounts may be delegated to the Director of Finance and appropriate accounting and finance employees following sound internal control practices.

Executive Director Approves (Note: Executive Director may delegate approval authority to Directors or other employees as appropriate):

- reimbursement requests – may reject or modify requests to comply with expense policies,
- service and program fees, including,
 - advertising rates
 - fees for copies of the WSBA's public records
 - fees for sale of member contact information

- sales price of the *Resources* directory
- sales price of CLE and WSBA publications
- sales price of other WSBA merchandise
- miscellaneous fees
- adjustments to employee salaries within the aggregate approved budget dollars,
- in-kind contributions of WSBA to the Washington State Bar Foundation,
- grants to WSBA, including negotiations of administrative fees,
- approving and reporting to the Board of Governors about certain unbudgeted expenses, including reallocations of budgeted expenditures where the intent is similar or varies slightly; unbudgeted expenditures that are fully offset by unbudgeted revenue or a reallocation of budgeted expenditures up to 5% of the approved operating budget to address operational, regulatory or programmatic needs; and necessary and prudent expenditures to implement WSBA's Disaster Recovery Plan or to maintain WSBA's operations. Per occurrence limit is \$215,000.00. Prior to taking action the Executive Director must notify the President and after taking action must report the reallocation of funds to the Board. Reallocations may not affect the annual budget's bottom line. ,
- supplemental budget requests from sections that exceed 25% of the section's annual expense budget or \$1,000, whichever is greater,
- binding the WSBA to future expenses, as in contracts and agreements, for budgeted or operational expenses,
- engagement of independent auditor selected for the up to six year period, annually; or may initiate the selection of the competitive bid process,
- fiscal policies, where indicated in the specific policy.

In the event of an emergency and when it is not feasible to get the approval of the Budget and Audit Committee or the Board of Governors, the Executive Director and/or Treasurer shall have the authority to approve expenditures that are necessary and prudent in order to keep the WSBA operational in the case of an emergency (e.g., if the WSBA's computer network crashed or an event which triggers the established disaster recovery plan). These expenditures may be beyond the capital or operating budgets, and may or may not impact the WSBA's reserves. The Board of Governors shall be immediately notified by the Treasurer or Executive Director when expenditures of this nature are authorized.

Treasurer

Chairs the Budget and Audit Committee, is authorized to establish deposit and credit relationships, withdraw WSBA funds from banks with a dual signature, and sign checks.

Reviews/Approves:

- Executive Director's credit card charges, reports of expenses, payroll reports, and fringe benefits (quarterly)
- Year-to-date vendor payment listing as part of the monthly financial statements review

MCLE Board

Recommends to the Board of Governors:

- all MCLE fees for failure to comply with the MCLE rules and to defray the reasonably necessary costs of administering APR 11 (APR 11(d)(2)(v)), including:
 - MCLE accredited sponsor annual fees (APR 11(j)(7))
 - MCLE sponsor activity application fees and late fees (APR 11(g)(1))
 - MCLE comity fees (APR 11(c)(6))
 - MCLE compliance late fees (APR 11(i)(4))

CLE Committee

Recommends to the Board of Governors:

- Expenditures from the CLE reserve fund
- Adjustments to the standard CLE seminar registration fees

Personnel Committee

Recommends to the Budget and Audit Committee:

- Adjustment to employee compensation policy.

Recommends to the Board of Governors:

- Compensation of the Executive Director

Client Protection Board (APR 15 Reg. 6)

Approves:

- gifts up to \$25,000 per applicant

Recommends to Board of

Governors:

- gifts over \$25,000 per applicant

Budget & Audit Committee

Reviews the long range financial projections and the revenues, including member license fees, needed to meet long range needs.

Approves:

- Approving and reporting to the Board of Governors about certain unbudgeted expenses, including, reallocations of budgeted expenditures where the intent is similar or varies slightly; unbudgeted expenditures that are fully offset by unbudgeted revenue or a reallocation of budgeted expenditures over 5% and up to 10% of the approved operating budget to address operational, regulatory or programmatic needs; and necessary and prudent expenditures to implement WSBA's Disaster Recovery Plan or to maintain WSBA's operations. Per occurrence limit is \$430,000.00. Reallocations may not affect the annual budget's bottom line.
- Business Recovery Plan
- Fiscal policies, where indicated in the specific policy.

Recommends to the Board of Governors:

- Bar application and admission fees for all license types (APR3(i)(B), APR5(a)(1))
- Bar license fees for all license types (WSBA Bylaws Art. 3 Sec. 1, APR 12(f)(3), APR 28I.(3)) Client Protection Fund assessment The annual budget and subsequent adjustments over 10% of approved operating budget.
- Adjustments to the compensation plan (based on recommendation from Personnel Committee)
- Fiscal policies, where indicated in the specific policy
- Investment policy
- Adjustments to the standard CLE seminar registration fees
- Unbudgeted expenditures from reserve funds
- Engagement of the independent auditors for other reviews, when deemed appropriate

Reviews:

- Monthly financial reports, including revenue and expenditure patterns; reports significant variances to Board of Governors
- Reports of the independent auditors

Oversees the process of selecting an independent accounting firm to perform the annual audit, at least once every six years, and makes a recommendation to the Board of Governors.

Board of Governors

Elects the Treasurer

Approves/Sets:

- The annual budget and the following adjustments:
 - Appropriation requests for expenditures from the unallocated contingency budget
 - Unbudgeted expenditures over 10% of operating budget
 - Any changes to the bottom line arising from a reallocation or reforecast
 - Expenditures from reserve funds, in accordance with reserve policies
 - Fiscal policies, where indicated in the specific policy
- Investment policy
- Banking authorities
- Keller deduction to license fees
- Gifts from the Client Protection Fund (CPF) over \$25,000 per applicant
- Long-term leases for WSBA office space or equipment
- Election of independent audit firm
- Compensation of the Executive Director
- Standard CLE seminar registration fees
- law clerk program application fees (APR 6(b)(4))

Approves and Sends to the Supreme Court for Information:

- law clerk program enrollment fees (APR 6(d)(1))
- all MCLE fees for failure to comply with the MCLE rules and to defray the reasonably necessary costs of administering APR 11 (APR 11(d)(2)(v)), including:
 - MCLE accredited sponsor annual fees (APR 11(j)(7))
 - MCLE sponsor activity application fees and late fees (APR 11(g)(1))
 - MCLE comity fees (APR 11(c)(6))
 - MCLE compliance late fees (APR 11(i)(4))

Approves and Sends to the Supreme Court for Review:

- Bar license fees for all license types (WSBA Bylaws Art. 3 Sec. I, APR 12(f)(3), APR 28I.(3))
- Bar application and admission fees for all license types (APR 3(i)(B), APR 5(a)(1))
- Licensed legal intern application fees (APR 9(d)(3))

Recommends to the Supreme Court:

- CPF assessment

Reviews/Accepts:

- Quarterly financial reports
- Reports of the independent auditors

Supreme Court

Information:

- law clerk program enrollment fees (APR 6(d)(1))
- all MCLE fees for failure to comply with the MCLE rules and to defray the reasonably necessary costs of administering APR 11 (APR 11(d)(2)(v))

Reviews for Reasonableness (GR 12.2(b)(22)):

- license fees for all license types

Reviews ("subject to review by the Supreme Court"):

- Bar application and admission fees for all license types (APR 3(i)(B), APR 5(a)(1))
- Licensed legal intern application fees (APR 9(d)(3))

Approves:

- CPF assessment

WSBA FISCAL MATRIX	ED	TREASURER	B & A	BOG	S. Court
License fees for all license types	Recommends		Recommends	Sets	Reviews for reasonableness
CPF assessment	Recommends		Recommends	Recommends	Approves
Keller deduction to license fees	Recommends		Recommends	Approves	
Bar application & admission fees for all license types	Recommends		Recommends	Approves	Subject to Review
Legal intern fees	Recommends		Recommends	Approves	Subject to Review
Law clerk program enrollment fees	Recommends		Recommends	Approves	Information
Law clerk program application fees	Recommends		Recommends	Approves	
Annual Budget	Recommends		Recommends	Approves	
Expenditures from unallocated contingency in budget	Recommends		Recommends	Approves	
Expenditures from reserve funds	Recommends		Recommends	Approves	
Unbudgeted expenditures offset by unbudgeted revenue ,or reallocation of budgeted expenditures where the intent is similar or varies slightly, which do not affect the annual budget's bottom line	Up to 5% of approved operating budget – up to \$215,000 per occurrence – must notify President and report to the Board		Over the ED approval Level Up to 10% of annual operating budget – up to \$430,000 per occurrence - must report to the Board	Unlimited	
Changes to annual budget's bottom line	Recommends		Recommends	Approves	
Supp. Sections budget requests(over 25% of the Sections exp. Budget or \$1,000 whichever is greater)	Approves				
Check Requests/Expense Reports	Approves within parameters of fiscal policies	Approves Expense Reports Exceptions to policy		Approves overall expense policies	
Staff compensation policy/salary adjustments	Approves salaries within adopted comp. policy			Approves overall WSBA comp. policy. Approves annual budget.	
Executive Director compensation		Reviews/approves ED expenses/FBs	Personal Committee recommends	Approves	
MCLE fees under APR 11			(MCLE Board recommends)	Approves	Information
Adjustments to standard CLE seminar fees	Recommends		(CLE Committee recommends)	Approves	
Service & program fees: ad rates, copies, member contact info., publications, merchandise, and misc.					
Gifts from CPF			Client Protection Board approves up to \$25,000/applicant)	Approves +\$25,000/applicant	
Grants to WSBA	Approves				
In kind contributions by WSBA	Approves				
Long term leases for WSBA office space and other real estate	Recommends		Recommends	Approves	
Future obligations for budgeted or operational expenses	Approves				320
Business Recovery Plan	Recommends		Approves		
Fiscal Policies	As per special policy		As per special policy	As per special policy	

Investment Policy	Recommends		Recommends	Approves	
Banking authorities	Recommends		Recommends	Approves	
Engagement of independent auditors (up to 6-year period)	Engages as selected by BOG		Recommends	Approves	
Emergency expenditures (Disaster Recovery Plan/maintain WSBA Ops)	Approves	Approves			

Overall Philosophy

WSBA financial statements are important documents both to individuals inside and outside the organization. The budget is a tool that lays out a financial plan for the coming fiscal year and it is also a guide to action for all WSBA employees. The Budget will help guide decision making and provides a way for direct oversight to WSBA Fiscal activities. The Budget is a statement of the values of the organization as well as a financial document as it is a tangible expression of WSBA's real priorities. WSBA's managers are guided by the organization's strategic plan, but various departments, programs or purposes are in competition for the organization's limited resources and the outcome of that competition is determined by where the funds are actually allocated. Budgets invariably create incentives and disincentives that will affect the behavior of managers, staff and volunteers.

Additionally, it gives WSBA staff direction on how and where to invest its resources. In order to be a useful tool, the budget cannot be a rigid document that can never be amended, it can and should be amended if necessary through the reforecast process with adequate oversight and directions. The budget can be amended by the Board of Governors, Budget and Audit Committee or Executive Director via decisions made under this Fiscal Policy as well as the Fiscal Responsibilities Matrix.

WSBA should budget revenues and expenses as accurately as possible. Revenues should be realistic, but not overly conservative. Expenses should be estimated not on remote possibilities, but rather on historical spending patterns and actual planned expenses. There should be some flexibility in the budget to allow for contingencies and necessary adjustments. Variances to the budget (over or under) are to be expected and will be reported to the Budget and Audit Committee through the review of the monthly financial reports throughout the fiscal year.

WSBA fiscal policies recognize the difference between controllable and uncontrollable expenses and will seek to hold managers and staff accountable accordingly. Individual departments or programs may be credited with or charged with revenues and expenditures attributable to them, but a manager can only be held responsible for line items under his/her/they/them control. Managers should be able to make recommendations for significant variations from the budget where and when it faces uncontrollable vagaries and make mid-year corrections as needed.

The WSBA should prepare an annual budget and establish its budget by function ("cost center") insofar as practical to permit subsequent cost-benefit analysis. The budget should be transparent so it is easy for the Board of Governors and members to see how the WSBA is spending its money.

Generally, as much as possible, WSBA budget shall be separated into three broad sections: (1) an operating budget: tracks all revenues and expenditures, (2) a capital budget: concerns the purchase, leaseholds or disposal of long-term physical assets, such as buildings and equipment; (3) Cash Flow: tracks the flow of cash during the year whether related to operating or capital activities.

WSBA budgets shall be structured to accommodate Cost Centers (committees, boards and other entities) and Profit Centers (CLE divisions). The budget for each cost center should include its revenues, its direct expenses, and its share of the WSBA's overhead (indirect) expenses. By knowing the total cost of each program or function, the Board can make policy decisions about which programs should be supported by member license fees, which programs should be self-supporting, and which programs should generate revenue for other WSBA functions or programs.

The revenue and costs associated with specific program areas; committees, boards and other entities; and other activities should be grouped into cost centers in order to further the Board's ability to make such policy decisions.

More specifically, that shall include, but is not limited to, all revenues and expenses (direct and indirect) being presented in separate cost centers for: (1) the Board of Governors; (2) the Executive Director; (3) the LLLT program; (4) the LPO program, and (5) all Supreme Court boards and committees

The only allocation of full time employee units to the Board of Governor cost center shall be the direct time of any administrative staff among whose primary purposes is to assist the Board. The full cost of the position of Executive Director shall be reflected in its own cost center without allocation to any other cost center and shall include the direct time of any administrative staff among whose primary purposes is to assist the Executive Director. Both the Board of Governors cost center and Executive Director cost center shall be allocated their pro rata share of enterprise expenses in accord with standing practices.

WSBA's operational needs, taking into account the strategic plan and goals, shall guide the budget process. The budget process shall provide an opportunity for the board of governors to provide direct oversight over WSBA spending and priorities.

Procedure for Long-range Forecasting and Planning

The Director of Finance should prepare long-range forecasts, prior to the annual budgeting process to get an indication of the parameters around the upcoming annual budget; and whenever requested by the Board of Governors, usually for planning for license fee increases and as part of the long-range planning process.

WSBA should annually update its long-range financial plan to anticipate the needs of the Bar and so that, if increased funds become necessary, the Bar can plan logically and in advance on what additional funding will be required to meet such needs

Procedure for Annual Budgeting Time Line/Process

The budgeting process begins in April for the coming fiscal year (October 1 – September 30). An official calendar will be prepared by the Director of Finance and presented for approval to the Budget and Audit Committee prior to the start of the budget process.

The Director of Finance requests budgets from each Department Director, Section Chair, and liaison to the WSBA's various committees and boards. These individual budgets are compiled by the Budget and Finance Manager and reviewed by the Director of Finance and the Executive Director.

The Director of Finance and Budget and Finance Manager meet with department directors, employees, section leaders, etc. to conduct a thorough review of all budgets and comparison of budget figures to historical and year-to-date fiscal information.

The Budget and Audit Committee reviews drafts of the entire WSBA budget (general fund, CLE, CPF, and sections) in June, July, and August, and provides guidance where necessary.

The Board of Governors reviews a preliminary budget in July and approves the final entire WSBA budget at its last meeting of the fiscal year (September).

If deemed appropriate from an operational perspective, a budget reforecast process may be executed in late Quarter 2.

Capital Budget

The capital budget forecasts capital purchases anticipated in the coming fiscal year that are over \$2,500 and have a useful life over 1 year (the depreciation for which is included in the expense budgets prepared

by the WSBA Controller). In addition, Capitalized IT hours are a part of this budget. Capitalized Hours require to be tethered to an ongoing approved capital project or must be included and identified in any newly submitted project. The Board of Governors reviews a preliminary capital budget in June and approves the final capital budget with the entire WSBA budget at its last meeting of the fiscal year (September).

Capital Budget Procedure

A capital budget is prepared each year as part of the annual budget process. The Capital Budget is prepared by the Budget and Finance Manager in collaboration with Department Managers.

Cash Flow Budget

Quarterly a cash flow forecast will be prepared by the WSBA Controller to anticipate the timing and amount of cash and liquidity needs of the WSBA for the current quarter and the excess funds available for longer - term investments.

Procedure for Additional Budget Requests

Department directors, committee/board employee liaisons, or section leaders who anticipate a need for funds in excess of their approved budget should make a request to the Director of Finance, indicating the additional amount requested and the purpose of the additional funds. (Note: Sections are required to obtain approval from the Executive Director for any unbudgeted expense which totals either 25% or more of the section's annual expense budget or \$1,000 (whichever option is greater) – see Chapter 10 for details.) This request will be handled according to the Fiscal Responsibilities Matrix.

Procedure for Ongoing Program Review

WSBA should anticipate both new initiatives and planning for potential termination or decreased funding for some older programs, depending on relevance for and needs of WSBA. WSBA should maintain a scheduled program review process for all non-regulatory WSBA programs.

Procedures for Financial Reporting

Monthly (Interim) Financial Reporting

WSBA should have accurate interim financial reports so that over-expenditures are less likely when the fiscal year ends and so that corrections may be made in mid-year. Interim financial reports should be consistent with final year-end financial statements and prepared with similar governing principles. Below are the financial reports generated by Finance and Administration employees. The format and level of detail provided in the financial statements are subject to modification as needed.

Monthly Financial Summary

Each month, the Controller produces a summary of the year-to-date budgeted (original and amended) and actual revenue and expenses for the general fund (by cost center), CLE, CPF, and sections (total of all sections) and fund balance information. This report is usually available after the tenth working day of the following month, except at year-end when the closing process is 2-3 months. The Controller provides the report to the Executive Director and department directors; it is also provided to the Budget and Audit Committee and Board of Governors with the Monthly Summary Reports by Cost Center/Section.

Monthly Cost Center/Section Summary Reports

The Controller prepares year-to-date detailed financial reports for each cost center/section. These reports show the cost center/section's annual budget or Reforecast, actual monthly revenue and expenses, year-to-date actual revenue and expenses, and year-to-date remaining budget. Monthly Cost Center/Section Summary Reports are usually distributed after the tenth working day of the following month to each person responsible for a cost center/section (e.g. department director, Section Chair, and other designated employees). They are also provided to the Budget and Audit Committee and Board of Governors on a regular basis (the months that correspond to their meeting schedules).

Monthly Detailed Reports by Cost Center/Section

In addition to the monthly financial summaries, each person responsible for a cost center/section (e.g., department director, Section Chair, and other designated employees) is provided with reports showing the detail of posted transactions. These detailed reports should be reviewed for **accuracy** (report any adjustments, reclassifications, corrections or questions to Accounting) and **comparison to budget** (report the reason for significant variations from budget or trends of interest to the Chief Financial Officer). Any questions about the amount of an income or expense item, the category in which it is recorded, or any other concerns, may be addressed to the Controller, Budget and Finance Manager, or Chief Financial Officer.

Key Financial Benchmarks

The Budget and Finance Manager prepares a percentage comparison of key figures (revenue, indirect, and direct expenses for the general and CLE fund) of the current fiscal year's actual year-to-date activity with the percentage of the year completed and the prior year percentage. It also includes additional comments regarding where employees expect to be in terms of budget by year end and any additional information that helps explain large variances. This report is provided to the Executive Director and department directors on a monthly basis with the internal financial statements.

Year-to-date Vendor Payment Listing (added September 2016)

The Controller prepares a year-to date vendor payment listing that shows total payments made by vendor over \$10,000. The report will be provided to the Executive Director after the tenth working day of the month, consistent with the completion of the monthly financial statements. Additionally, on a quarterly basis, the Budget and Finance Manager or Director of Finance will provide this report to the Treasurer for review.

Tracking and Accounting for Budget Amendments

1. Budget Amendments (where bottom line is changed– BOG approval required):
 - Tracked on a separate list.
 - Appropriate expense line amended according to BOG decision
The bottom line of the budget will be amended to reflect amendments made to the budget by the BOG during the year, so that financial statements compare actual to amended budget figures rather than original budget figures.
2. Reallocations of budgeted expenses to other line items:
 - Track any reallocations approved by the Executive Director, Budget and Audit or BOG on a separate sheet.

Quarterly Financial Reporting

On a quarterly basis, the Budget and Finance Manager and Chief Financial Officer will, if circumstances require, prepare a summary of budget amendments, reallocations, important financial issues, and explanations of significant budget to actual differences for the Executive Director, Budget and Audit Committee and the Board of Governors.

Annual Financial Reporting

The WSBA's annual audited financial statements are prepared by independent auditors. The WSBA Controller

prepares the final year-to-date internal financial statements with detail for each cost center (see explanations above).

Selection of Independent Auditors

An annual audit of the Washington State Bar Association's financial records shall be performed by an independent accounting firm for the purpose of expressing an opinion on the Association's financial statements for the fiscal year.

At least once every six years the Association shall undertake a formal process of seeking competitive bids from several qualified accounting firms for performing the annual audit. The Budget and Audit Committee will oversee this process, interview final candidate firms, and make a recommendation to the Board of Governors. The Board of Governors shall make the final selection.

During the six-year period, the Executive Director is authorized to engage the firm so selected for each year's annual audit, or to initiate a competitive bid process prior to the end of the six-year period.

Chapter 2: Assets

Authorization of Banking Relationships

The Board of Governors will authorize banking relationships as needed (e.g., when there is a new Executive Director). Signatures cards with the bank are updated when there are changes in staffing or Treasurers. Below is the standard generic template generally used by WSBA. This resolution is used in conjunction with a letter from the Executive Director naming individuals holding the positions noted in there solution:

RESOLUTION AUTHORIZING BANKING RELATIONSHIPS

WHEREAS, it is necessary and prudent for the Washington State Bar Association to establish and maintain a number of banking relationships for the purposes of depositing, managing and investing WSBA funds; and

WHEREAS, it is necessary and prudent for the Washington State Bar Association to establish and maintain certain credit relationships for the purposes of purchasing goods and services;

NOW, THEREFORE, BE IT RESOLVED:

That the Treasurer or Executive Director, [Name of ED], of the Washington State Bar Association, or any one thereof, are hereby authorized to establish both deposit relationships and credit relationships necessary to conduct WSBA business; and

That the Treasurer, Executive Director, [Name of ED], and _____ are authorized as signers on any deposit relationship in order to withdraw funds of the WSBA; and

That the Executive Director; [Name of ED], and Chief Financial Officer, and their designees are authorized to invest excess balances, in accordance with the Investment Policy; and

That the Executive Director, Chief Financial Officer, Controller, and their designees, are authorized to make deposits and transfers in established accounts.

Approved by resolution of the Board of Governors on the ____ day of _____, ____.

xxxxx, President

ATTEST:

xxxxx, Executive Director, and
Secretary to the Board of Governors

Investment Policy

PHILOSOPHY

The WSBA's funds have historically been invested exclusively in cash, cash equivalents and debt instruments. Although this provides a high degree of safety, the returns received are low and have not always kept up with inflation. The Board of Governors believes it is prudent and in the best interest of the WSBA and its membership to hold a diversified portfolio of investments that allows funds to be invested in a manner that is consistent with cash needs of the organization while meeting its investment objectives. The WSBA's funds are invested in cash, cash equivalents, debt instruments, and equities.

The investment policy was modified in March 2007 to allow for the investment of a portion of the funds held by the WSBA in the broader market (beyond items such as Certificate of Deposits and Bonds, into the equities market) while at the same time maintaining a pool of short-term investments to meet anticipated needs over the next 12 month period. Investing in the broader market involves a greater degree of investment risk, therefore only that portion of the funds that is not needed to meet the short-term needs may be invested in such markets.

WSBA's approach is to invest in a portfolio that includes stocks, cash, bonds, real estate, and other classes of assets. Funds selected should focus on providing for the long-term growth of the principal investments. The investment strategy is to maximize total return while preserving principal. Returns on investment include total interest, dividends and appreciation in the value of the funds. Annually, WSBA may decide to withdraw from the fund/investment and transfer to operating funds for expenditures that year. Any additional investment returns are reinvested in the principal, enabling it to grow.

OBJECTIVES

The primary investment objectives of the Washington State Bar Association are:

- Preservation and safeguarding of the principal amount invested;
- Maintenance of liquidity to meet operating cash flow needs; and
- Maximization of return consistent with the above two objectives.

At least quarterly, balances shall be monitored and compared to cash flow needs so that funds may be invested promptly upon receipt in order to meet the primary investment objectives. It is expected that investments in debt instruments or time deposits will be held to maturity, and therefore funds that are allocated to those investments should be invested so that they mature when cash is expected to be needed for operations.

AUTHORITIES

Annually, the Board of Governors will review and make any necessary changes to their resolution authorizing banking and investment relationships that designates who is authorized to:

- Establish deposit relationships;
- Make deposits and transfers in established accounts;
- Invest excess balances and reinvest funds at maturity or when otherwise available from one investment vehicle to another; and
- Deposit proceeds of maturing or sold investments into appropriate interest bearing accounts.

Investments are made under the prudent investor standard applicable to fiduciaries under the provisions of RCW 11.100.020, with judgment and care under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment,

considering the probable safety of their capital as well as the probable income to be derived.

In making investments, the following factors shall be considered:

- The probable income as well as the probable safety of the investment;
- Marketability of investments;
- General economic conditions;
- Length of the term of the investments; and
- The WSBA's projected liquidity needs for both the short-term (next twelve months) and the long-term (over one year).

PORTFOLIO CONSTRUCTION

The assets of WSBA may be held or invested in cash or cash equivalents, governmental and corporate fixed income securities, and equities. WSBA's total portfolio shall be comprised of the following:

1. A portion of the assets not to exceed the Board-designated general fund Facilities Reserve ("long-term portfolio") shall be invested in accordance with the prudent investor standard.
2. The balance of the assets ("short-term portfolio") shall be kept in cash, cash equivalents, auction rate securities, or fixed income securities having maturity dates that are consistent with the time frames for the anticipated liquidity needs of WSBA.

INVESTMENT GUIDELINES

Equities

- U.S. Common Stocks
- U.S. Convertible Notes and Bonds
- U.S. Convertible Preferred Stocks
- American Depository Receipts (ADR) and American Depository Shares (ADS) of Non-U.S. Companies
- No-Load Mutual Funds that invest in securities allowed in this investment policy and which have annual operating expenses of less than one percent (1%)
- Auction Rate Securities with a minimum rating of A or better

Cash Equivalents

- Treasury Bills
- Money Market Funds with a Moody's rating of A or better
- Commercial Paper issued by corporations rated A1 by Standard and Poor's or P1 by Moody's
- Banker's Acceptances issued by domestic banks rated A1 by Standard and Poor's or P1 by Moody's
- Certificates of Deposit issued by any U.S. bank that meets all the regulatory reserve requirements and minimum capital requirements, and which are insured by the FDIC or the National Credit Union Administration, up to the federally insured amount.

Fixed Income Securities

- U.S. Government and Agency Securities
- Corporate Notes and Bonds, rated AA by Standard and Poor's or Aa by Moody's.
- Mortgage-Backed Notes and Bonds

Combined Funds

- Investments in conservative or moderate growth and value funds which invest in established companies both domestically and internationally and select Government and Corporate Bonds

General Guidelines

- Quantitative guidelines for investments will be made at the time of selecting the investment in accordance with this policy and with consideration given to the three Objectives stated above. Decisions regarding investments should only be made after consultation with professional investment advisors who have reviewed the WSBA Investment Policy. Appropriate amounts based on the percentage of the available funds will be made at the time of investment and will be supported by a cash flow analysis prepared by the Director of Finance and must be approved by the Budget and Audit Committee.

MANAGEMENT AND MONITORING OF PERFORMANCE

Investment(s)

The WSBA may engage one or more fee-for-service investment managers and delegate individual investment decisions to such investment managers within the guidelines of this statement and the specific direction of the Budget and Audit Committee. A qualifying investment manager must be a registered investment advisor under the Investment Advisors Act of 1940. The selection and allocation of funds to individual investment managers will be made by the Budget and Audit Committee. The Chief Financial Officer or Budget and Finance Manager shall work with the investment managers in implementing the investment strategy.

The Budget and Audit Committee and Board of Governors must approve any significant changes in the investment strategy. In the event the WSBA's investment managers recommend an immediate change in strategy that creates the need for a time-sensitive decision to be made, the Director of Finance has the authority to approve the investment manager's suggested strategic change. Prior to granting such authorization, the Director of Finance shall consult with the Executive Director (or acting E.D.) and/or Treasurer, and if neither of them are available then the President, President-elect, or Immediate Past-President in that order. The Budget and Audit Committee shall be notified of such changes as soon as practicable.

Reporting

A report will be prepared at the end of each month listing the investments held, and which shall state the maturities and rates of return of any fixed income securities. This report will be included in the monthly financial statements and provided to the Budget and Audit Committee and the Chief Financial Officer for review, and provided at each quarter-end to the Board of Governors. Additionally, the Budget and Finance Manager will prepare an investment update at the end of each month that will report on the long-term portion of the portfolio. This will be provided to the Budget and Audit Committee and the Board of Governors at each meeting.

Performance Reviews

The Chief Financial Officer, the Budget and Finance Manager, the Treasurer, and one or two current Budget and Audit Committee members (collectively, the "Investment Subcommittee") shall monitor the performance of the investment portfolio. The investment performance of total portfolios, as well as asset class components, will be measured against commonly accepted performance benchmarks. Consideration shall be given to the extent to which the investment results are consistent with the investment philosophy, objectives, and guidelines set forth in

this policy. The Investment Subcommittee will meet with the investment advisors as necessary, provide reports to the Budget and Audit Committee at least quarterly, make decisions with the investment advisors on changes in investment, and recommend changes in the overall investment strategy.

GENERAL

Safekeeping

Investment assets may be held in street name or in safekeeping at the commercial or investment bank handling the transaction, on behalf of the WSBA.

Application

This policy applies to all investment funds, including those of the Lawyers Fund for Client Protection, WSBA sections, and any other state Bar entity.

Updating of Policy

This policy will be reviewed annually by the Budget and Audit Committee and the Director of Finance.

Account Structure

WSBA maintains its funds in two types of accounts Operational Accounts (Checking and Savings Accounts) and Investment accounts (various). These accounts from time to time will change as required to conduct business or to improve current investment positions. Any account changes must be consistent with this Investment Policy and approved by the Budget and Audit Committee.

Checking/Savings Accounts

The Bar currently maintains five checking accounts:

- Wells Fargo general checking account;
- Wells Fargo Zero-balance payroll account, linked to the general account;
- Wells Fargo Client Protection Fund checking account;

Investment Accounts

The WSBA currently maintains the following investment accounts:

- Morgan Stanley money market account
- Merrill Lynch money market account
- UBS money market account
- Wells Fargo money market account
- Morgan Stanley investment in managed funds
- UBS investment in municipal bond fund
- Morgan Stanley investment in municipal bond mutual funds
- Wells Fargo, Morgan Stanley, UBS, and Merrill Lynch - various individual investments (commercial paper, CDs, auction rate securities, etc.)
- Morgan Stanley money market account (CPF)
- Wells Fargo money market account (CPF)

PETTY CASH

The WSBA maintains several petty cash boxes for varying purposes (reimbursing employees for small dollar- amount expenses, providing change to employees collecting cash receipts, etc.). Access should be limited to only those persons authorized to handle petty cash. The WSBA's authorized petty cash boxes are as follows:

1. Accounting Division Petty Cash

The Accounting Division maintains the WSBA's primary petty cash for the purpose of paying for expenses **\$30 and under**. Ideally, the amount of petty cash on-hand is no less than \$50 and no more than \$800.

An employee requesting reimbursement from Accounting's petty cash:

- Completes a Petty Cash Form;
- Obtains his/her department director's or their designee's signature on the form as approval; and
- Takes the form to the A/P Bookkeeper (or another Bookkeeper or the Senior Accounting and Financial Systems Manager if the A/P Bookkeeper is not available) during the designated hours for Petty Cash service; and
- Initials the form upon receipt of the cash.

The A/P Bookkeeper initials the form, pays the cash, and puts the initialed Petty Cash Form in the petty cash box. The Accounting Division's petty cash is kept in a box in a locked cabinet in a fireproof box. The keys to the cabinet are accessible only by the Bookkeepers and the Controller.

The Controller, while being observed by the Accounting Division employees, audits the petty cash on a regular basis. Any discrepancies must be reported to the Controller or the Chief Financial Officer. Petty cash is replenished monthly or as needed by the A/P Bookkeeper by preparing a Check Request, which is approved by the Controller or Chief Financial Officer.

2. Front Desk Change Box

The front desk receptionist maintains a "change box with \$100 cash. The cash is used to make change, primarily for WSBA visitors who purchase products or register for events. When larger bills, \$10's or \$20's, accumulate, the receptionist is responsible to get smaller bills from the Accounting Division. The front desk receptionist locks the cash box in a secure location at the end of every day. The Accounting Division or Finance employees audit the cash box periodically. Expense reimbursements are **not** to be made out of the front desk change box, except for Conference Room Assistant expenses authorized by the Chief Financial Officer.

3. Office of Disciplinary Counsel Petty Cash

The Office of Disciplinary Counsel (ODC) has a petty cash box for the purpose of reimbursing ODC employees for expenses **\$50 and under** (e.g., litigation expenses, supplies, court documents, employee travel, misc., etc.). Ideally, the amount of ODC petty cash on hand is no less than \$100 and no more than \$500. An employee requesting reimbursement from ODC's petty cash:

- Completes a Petty Cash Form;
- Obtains the ODC director's or their designee's signature on the form as approval;
- Takes the form to the ODC Department Administrator; and
- Initials the form upon receipt of the cash.

The ODC Department Administrator initials the form, pays the cash, and puts the initialed Petty Cash Form in the petty cash box. ODC's Department Administrator controls the box, keeping it in a locked drawer for safekeeping.

Accounting Division employees periodically audit the ODC petty cash box. Any discrepancies must be reported to the Controller or the Chief Financial Officer. Petty cash is replenished as needed by preparing a Check Request, which is approved by the appropriate person in ODC.

4. Temporary Change Boxes

A few times each year, other departments draw from the Accounting Division's petty cash; generally, in amounts less than \$200. It is used for making change for the sale of small items. For example, CLE may need a temporary change box during a bookstore sale, or Admissions may need to sell small items at the bar exam. The change box and all receipts collected are returned to Accounting at the end of the day/session, with copies of each sales transaction to account for receipts collected.

Procedures for Bank Account Reconciliation

Responsibility for Reconciliation and Timing

WSBA's checking accounts are reconciled by an employee who does **not** have the ability to prepare or sign checks (this includes the Controller, bookkeepers, Director of Finance, and check signers). Generally, the Budget and Finance Manager is a good candidate. Currently, the Budget and Finance Manager is the primary person responsible for reconciling the bank statements.

The hard copy monthly Wells Fargo bank statements are delivered to the person reconciling the bank statements **unopened**. This ensures that there is no tampering with the statements or accounts. Electronic copies of statements are provided for all other bank accounts.

Each statement should be reconciled by the 20th working day of the month that the statement is received, with the exception of the year-end closing which prevents the reconciliations for October and November from being performed until late December or early January.

Reconciliation Report

The reconciliation process involves matching all deposits and payments recorded in WSBA's books to the bank statements. If errors or discrepancies between the bank and WSBA's accounting systems are noted, they should be documented on the reconciliation report. Copies of the completed reconciliation reports are given to the Controller, who is responsible for researching and correcting any errors or adjustments, and the Chief Financial Officer. Any questionable activity, such as a check that has been altered or forged, is documented and the information is presented to the Chief Financial Officer **the same day** that the activity is located.

Procedure for Outstanding Checks/Unclaimed Property

WSBA will establish and follow unclaimed property procedures in accordance with Washington State laws. During the monthly bank reconciliation process, all outstanding checks will be identified. The A/P Bookkeeper will identify all checks that are over three months old and verify with the bank that the check has not been cashed, voided, or had a stop payment put on it between the last day of the previous month and the date of the bank reconciliation. The A/P Bookkeeper will follow up on all remaining checks outstanding over \$75 by sending an initial due diligence letter to the payee. If no response is received within three months of the date of the initial letter, a final due diligence letter will be sent to the payee. If no response is received within three months, WSBA will hold the check in accordance with the Washington State Department of Revenue Unclaimed Property rules, which generally require a three year abandonment period (see state Department of Revenue rules for reporting periods). After the abandonment period has been completed, the check amount will be included in the annual unclaimed property report (due October 31 of each year) which will be sent to the Washington State Department of Revenue. The original check will be voided in the general ledger and a stop payment will be placed on the check at the bank by the A/P Bookkeeper. A final check will be issued to the Washington State Department of Revenue along with the annual report before the October 31 deadline.

Procedure for Accounts Receivable

Generally, the Bar requires that customers pre-pay for WSBA products and services. The exceptions where WSBA will invoice include:

- *Bar News* advertising
- Government Agencies (including law libraries, courts, schools, etc.) that require an invoice before payment can be made
- CLE seminar registration when someone appears at a seminar believing the fee was previously sent in and, after research, we determine it was not
- ABA reimbursements for employee travel expenses
- Practice management Assistance (PMA) fees for consultations or diversions
- Audit fees related to diversions
- LAP client fees
- Situations where a customer has not paid the full amount owing for a product or service
- Miscellaneous items as needed

Procedure for Invoicing

The requesting department prepares an Invoice Request Form and forwards it to Accounting. Accounting prepares the invoices and either mails them or returns them to the appropriate employee, as requested. *Accounting is responsible for creating invoices for all WSBA departments, unless an exception is approved by the Chief Financial Officer (e.g., Office of General Counsel, Membership Records label orders). No invoices should be prepared and mailed by non-Accounting WSBA employees unless specifically authorized to do so.* Generally, payments received for Accounts Receivable balances will be applied to the oldest invoice first.

Procedure for Collection Efforts

Accounting prepares a monthly aged Accounts Receivable (A/R) listing and forwards a copy to each applicable department. Each department is responsible for contacting customers with a past due balance. Accounting will send out invoice copies or statements as needed. Reasonable collection efforts consist of phone calls, letters, statements or copies of invoices, and possibly the use of a collection agency with approval from the Chief Financial Officer. In certain circumstances, accounting employees will take responsibility for collecting receivables upon agreement between the Chief Financial Officer and the appropriate director. An example of this is the CLE Bookkeeper who collects receivables related to CLE seminars and the A/R Bookkeeper who collects advertising receivables for *Bar News* (see below).

Procedure for Bad Debt/Write-Offs

Temporary Write-Off (6 months)

When an invoice reaches 6 months past due, it will be written off as bad debt unless there is a reason not to write it off. Any other invoices that directors wish to keep on the books must be communicated to Accounting upon review of the monthly A/R listing; otherwise they will be written off once they reach 6 months past due. The Accounting employee debits the associated cost center's Bad Debt Expense account and credits the Allowance for Bad Debt account (which goes against Accounts Receivable). The Accounts Receivable still stays on the WSBA's books as an asset; however, the initial revenue has essentially been eliminated through the recording of a bad debt expense.

Permanent Write-Off (less than 1 year)

Any invoice determined to be uncollectible before one year will be written off. The department responsible for the invoice will provide Accounting with a memo including the following information: account name, invoice number, dollar amount, documentation of collection efforts and the reason it is now uncollectible. This memo is signed by the person requesting the write off, approved by the appropriate department director and forwarded to Accounting. Accounting then will permanently write off the receivable by crediting Accounts Receivable and debiting Allowance for Bad Debts. This entry has no impact on a cost center's expenses, but takes the asset off of WSBA's books.

Permanent Write-Off (1 year)

For any Accounts Receivable amount that is not collected within one year, Accounting will write off the item. This is done by crediting Accounts Receivable and debiting Allowance for Bad Debts. This entry has no impact on a cost center's expenses, but takes the asset off of WSBA's books. At the point this is done, Accounting will notify the appropriate director and employee in writing (memo or email) of the permanent write-off.

Payments Received After Permanent Write-Off

If payment is received after a receivable has been permanently written off, Accounting will debit cash and credit the cost center's Bad Debt Expense account (i.e., it shows as revenue offsetting the expense account).

Prepaid Expenses

Expenses paid in advance are recorded as prepaid expenses (assets). When the service is used, the funds are transferred to the associated expense account. Some examples of the WSBA's prepaid expenses include:

- Deskbooks. While in production, deskbook expenses are charged to the prepaid expense account. Once published, those expenses are transferred to the appropriate deskbook inventory account.
- CLE Seminar Expenses. During the year, expenses related to seminars are booked as an expense when paid (cash basis accounting). At the end of each fiscal year, expenses related to seminars that have not yet been held are transferred to a Prepaid account for the year-end financial statements (accrual accounting).
- Postage
- Insurance
- Property Taxes
- Venue deposits

- Travel and Training
- Seminars

Inventory

Deskbooks

CLE Publications publishes Deskbooks, which are reference materials on Washington law about specific legal topics. Supplements of existing deskbooks are also published and sold periodically to update the deskbooks. Once a deskbook has been supplemented, it is current as of the date of publication of the supplement. Inventory of deskbooks is stated at lower of cost or market on the first-in, first-out (FIFO) method.

Other CLE Products

WSBA CLE produces coursebooks from prior seminars available for sale to members. CLE acknowledges that its customers have many sources from which to purchase publications and other CLE products such as coursebooks.. Therefore, CLE wants every customer to have a positive outcome when purchasing their product. Annually, the Controller in collaboration with the cost center manager will review existing publications to ensure that only publications with value are still being offered for sale and they are compliant with the obsolete inventory policy.

Returns of CLE Products

If a customer specifically requests (verbally or in writing via by email or letter) a refund and returns the product within 30 days of shipment and is in a re-sellable condition, the customer will be issued a refund by the method paid (check or credit card). Refunds by check will only be made after verification of collection of the initial check deposited by the WSBA (standard waiting period is 2 weeks). The Education Programs Manager must approve any return of production beyond 30 days from the date of purchase.

If a CLE product is sent in error, WSBA pays the postage for the customer to return it by either reimbursing the customer or having UPS pick it up and bill the WSBA directly. If a customer returns a CLE product for any other reason (e.g., duplicate order, changed their mind, and ordered in error), it is the customer's responsibility to pay for the postage.

Obsolete CLE Inventory

The inventory of deskbooks and supplements will be reviewed annually by the Senior Legal Editor and the Controller to determine which publications, if any, are obsolete; these will be written off. The Chief Communications Officer will document in writing that they have performed this review and state their conclusions that all inventory is current or what amount needs to be written off as obsolete. This process must be completed within 30 days following the fiscal year-end (September 30).

Accounting for CLE Coursebook Binders

The CLE department generally purchases binders in bulk annually to take advantage of volume pricing. The number of binders purchased is based on an estimate of the department's needs for the coming year. The binders are produced as needed by the vendor and shipped to the Bar. A running total of the binders purchased (and remaining) is maintained by the CLE Department.

When the binders are purchased, the amount is charged to the binders inventory account. When the binders are received and assembled by the Bar, the amount is debited to the associated seminar and credited to the binder inventory.

Property, Equipment, and Depreciation

Cash vs. Leasing

It has been WSBA's practice to pay cash for furniture and equipment, as opposed to leasing. On occasion, the WSBA will rent furniture or equipment for very short-term use.

Depreciation

The Bar Association capitalizes furniture and equipment with:

- A purchase price over \$2,500; and
- A useful life of more than 1 year.

The WSBA uses straight-line depreciation for those times.

Property and equipment are stated at cost. Depreciation is computed over the estimated useful lives of the assets, generally three to ten years. Depreciation expense for fixed assets which benefit all of the WSBA are is charged to indirect expenses. Depreciation for fixed assets which benefit a select few cost centers is charged only to those cost centers (e.g., CLE, Limited Practice Officers, MCLE, Discipline).

Completing the Physical Inventory

A physical inventory of furniture and equipment (fixed assets) is completed on a periodic basis, ideally annually but no less than every three years. When the physical inventory is completed:

- A report of all fixed assets is generated;
- The furniture/equipment is physically compared to the information on the report; and
- Missing items are noted, researched, and written off, if necessary.

Sale of Fixed Assets

A form is completed by the WSBA employee supervising the sale of furniture or equipment and submitted, along with the payment, to Accounting. The form will include the purchaser's name, address and phone number, the item being purchased, inventory tag number (if any), item price, sales tax and any other pertinent information.

Write-off/Disposals of Fixed Assets

On an annual basis, the Finance team will review the current listing of fixed assets and determine if there are items that require write-off or disposal. Any changes shall be incorporated into the WSBA's annual personal property tax report filing.

Computer Software Development

Accounting for costs of computer software developed or obtained for internal use

The development of computer software for internal use can be done either by outside vendors, or by WSBA employees. The costs incurred in the development stage are capitalized and depreciated on a straight-line basis over the useful life of the software, in accordance with generally accepted accounting principles.

Internal use software is defined as software that is acquired, internally developed, or modified, solely to meet the WSBA's internal needs; and during the development or modification, no substantive plan exists or is being developed to market the software externally.

If, after the development of internal use software is completed, WSBA decides to market the software, proceeds received from the license of the computer software, net of direct incremental costs of marketing, are applied against the carrying amount of that software.

The development of software follows various stages. Costs incurred in development are capitalized; other costs are expensed, as follows:

Preliminary project stage (costs are expensed):

- Conceptual formulation of alternatives
- Evaluation of alternatives
- Determination of existence of needed technology
- Final selection of alternatives

Application development stage (costs are capitalized):

- Design of chosen path, including software configuration and software interfaces
- Coding
- Installation to hardware
- Testing, including parallel processing phase

Post-implementation/operation stage (costs are expensed):

- Training
- Application maintenance

Further guidance can be found in AICPA Statement of Position 98-1.

Procedures

WSBA programmers keep track of their time spent on software development using the WSBA time keeping system. Specific categories are established for significant software development projects (minor software development is not tracked due to immateriality.) The Chief Financial Officer makes the determination of whether a new time keeping sub-category is required.

Salaries and benefits of programmers are initially expensed as incurred through the normal accounting procedures used for all employees. In order to capitalize the development costs, the Controller makes a monthly journal entry to reclassify the software development costs from salary and benefits to a "work in progress" asset account so that the cost may be capitalized and depreciated when complete.

The IT Director notifies the Controller when a software development project is complete and placed in service and determines what the useful life of the project is. The Controller then moves the total cost to a fixed asset account and begins depreciating the asset over its useful life.

The IT Director will ask outside vendors to bill their time so that development stage expenses are clearly differentiated from preliminary and post-implementation costs. Development stage costs paid to outside vendors are also capitalized, and amortization begins when the project is placed in service.

The IT Director shall promptly notify the Controller when software development projects which have been recorded in the "work In progress" account are cancelled. The Controller will then reverse the amounts to salaries and benefits expense.

Chapter 3: Liabilities

Accounts Payable

Trade Accounts Payable

During the year, WSBA does generally have a running balance in the Accounts Payable account. Expenses are paid on a recurring (weekly or bi-weekly depending on volume) basis as they come in to Accounting. At the fiscal year-end, any expenses related to the fiscal year are accrued as Accounts Payable.

Procedure

Check Security

All checks are issued in sequential numerical order. All checks are accounted for; and checks that are voided are noted for account reconciliation. Blank checks are stored in a locked cabinet. A small supply of checks is stored in a fireproof safe on site to be used in case of disaster or emergency.

Payments – General Guidelines and Procedures

Approval of Check Requests and Expense Reports

Check Requests or invoices must be approved by the Executive Director or his/her designee, subject to review by the Treasurer on request. The Executive Director has delegated signature authority in varying dollar amounts to department directors, who in turn have granted authority to certain employees for limited dollar amounts related to their areas of responsibility. See WSBA's List of Authorized Signers. Once the necessary approvals have been obtained, the Check Request is sent to the A/P Bookkeeper for payment.

Method of Payment for Check Requests and Expense Reports

The WSBA pays its expenses via check or EFT. Exceptions to this include payments made by petty cash or the following payments that are paid directly from the WSBA's checking account to the vendor and do not require advance approval (due to adequate controls in the process):

- Rent made by automatic withdrawals by the landlord;
- WSBA Visa payments made by automatic withdrawals from Wells Fargo;
- Federal tax deposits made by ADP (comes out of WSBA's checking account);
- Payroll checks to employees made by direct deposit (comes out of WSBA's checking account);
- Retirement, Deferred Compensation, and sales tax payments made via ACH (comes out of WSBA's checking account); and
- Postage meter refills made by automatic withdrawals from the USPS.

Check Processing Procedures

All invoices, grant payments, and expense reports are entered and submitted through PN3 (Accounts Payable processing system). The information provided in the system includes electronic copies of back-up documentation and general ledger coding. System users are set up in the PN3 system with permissions based on their specific role, including whether or not they can approve invoices, dollar limits for those who can approve, and to whom invoices should be routed for approval after submission. PN3 tracks the items submitted and approval dates. On a weekly basis, the A/P Bookkeeper reviews the data for accuracy, reasonableness, general ledger coding, and

back-up documentation. Once the information is complete, the A/P Bookkeeper runs a data upload from PN3 into Navision for all items that have been approved for payment and issues checks from Navision.

Fixed asset, ACH payments, Client Protection Fund payments, and customer refund requests are reprocessed in Navision. For those, the A/P Bookkeeper stamps the requests with the date received at the A/P desk, reviews the documents for reasonableness and accuracy, and verifies the calculations. Any questions or minor adjustments are given back to the employee submitting the request; other problems or questions should be promptly reported to the Controller or Director of Finance.

The petty cash is available for employees want to receive the reimbursement less than \$30. : Assets). For all other requests, the following general procedures for check processing are followed:

- A/P Bookkeeper does review and approval for processing of all invoices and expense reports in the PN3 system by Friday of each week. Fixed asset, inventory invoices and customers refunds are also entered in Navision by Friday of each week.
- Checks are printed on Fridays and are given to the check signer(s) by the following Monday morning for signature.
- Checks are typically mailed no later than Wednesday of the week of signing. (Note: When a holiday falls on a Monday, the checks may not be signed by Tuesday morning, in which case the checks might be mailed/delivered on Thursday).

Incorrect Check Requests or Expense Reports

Occasionally, the A/P Bookkeeper notes errors, inconsistencies, or requests that do not comply with WSBA reimbursement policies. The A/P Bookkeeper is not authorized to make changes to amounts in PN3. The A/P bookkeeper will send invoice notes in PN3 to the requester for any changes. If there is disagreement about a correction, the Controller or Chief Financial Officer will be notified and resolve the issue.

Rush Checks

Check Requests and Expense Reports should be approved and processed timely but from time to time it will be necessary to obtain a check sooner than the one-week turn-around time. Checks that need to be processed outside the normal time frames must be approved by the Executive Director or the Chief Financial Officer with sufficient time allowed for the Accounting Department to process the invoice and produce the check. Rush checks should be used judiciously and for good reason. Approved rush Check Requests should be given to the A/P Bookkeeper for processing. If the A/P Bookkeeper is not around when the request is dropped off at the A/P desk, the person requesting the rush check shall email both the A/P Bookkeeper and the Controller to let them know that a rush Check Request has been submitted. If the A/P Bookkeeper is out of the office or busy, one of the A/R bookkeeper or the Controller will process the rush check. Rush checks will be processed in 24 hours but issuance of the check may vary depending on signatory availability..

Payments to Vendors

Responsibility for Payment

Each invoice from a vendor is distributed to the WSBA employee associated with the expenditure, who reviews the invoice for accuracy and determines if the associated service/product was received to the satisfaction of WSBA. The employee codes it to the appropriate general ledger account, and submits the invoice through PN3. Subsequently the invoice is then routed to their manager for approval.

Duplicate Invoices

Payments should be made based on original invoices, not duplicates or monthly statements. A/P Bookkeeper should always verify in the accounting system that payment has not been previously made to the vendor, volunteer, or employee for that invoice/expense. If a duplicate payment is discovered the A/P coordinator will reach out to the vendor and offer evidence of payment and cancel the duplicate invoice.

Discounts & Timely Payments

WSBA's policy is to take advantage of any discounts available (such as 2% net 10) for prompt payment. WSBA also makes every attempt to avoid penalties and finance charges, such as those assessed if payment is made 30 days after the date of the invoice. Employees are responsible for submitting invoices for payment in a timely fashion. Continued violations of this policy may result in disciplinary action.

Problems with Invoices or Vendors

If an employee who originally received a vendor invoice finds that it is **not** correct or if the WSBA is **not** satisfied with the associated service or product, he/she shall attempt to resolve the problem with the vendor in a timely fashion. If the problem is not resolved within 30 days, the employee should consult with the Chief Financial Officer. If an invoice is being held, pending resolution of a problem, the A/P Bookkeeper must be notified in case he/she is contacted by the vendor. The A/P Bookkeeper may, in consultation with employees, resolve issues with vendor invoices or statements.

Vendors & Vendor Review

Only one vendor should be set up for each company/person. If a company changes its address, the address should be changed for that vendor. If a company is purchased by another company, a new vendor will be set up. For vendors with more than one mailing address, a separate vendor card will be set up for each address. At least annually, the A/P Bookkeeper shall review the vendor list for duplicate or inactive vendors.

Periodically, vendors regularly used by WSBA should be reviewed to ensure WSBA is getting competitive pricing. Examples include vendors of computer supplies, office supplies, equipment, etc. It is the Bar's policy when seeking vendors to provide a major product or service, WSBA submits Requests for Proposal to several vendors to ensure that the WSBA is receiving competitive bids.

Reimbursement of Expenses for Volunteers and Employees

See Chapter 6: Expenses.

Procedure for Deferred Litigation Expenses

During the annual budget process WSBA will establish a deferred litigation expense liability account which will become a liability on the balance sheet. The amount will be determined after consultation with General Counsel during the budgeting process. The amount determined must be approved by the Board of Governors during each budgeting cycle. The Executive Director will report any amounts used during each fiscal year to the Board of Governors.

Accrued Vacation & Comp Time

WSBA employees accrue vacation and sick leave on a monthly basis according to the length of their employment. Non-exempt employees may earn comp time for approved hours worked over 40 hours in a work week. Employees track their work time and leave time in an electronic timekeeping system. Accruals of paid leave are generated by the ADP electronic time keeping system. WSBA records as a liability the accrued balances of leave time that will be paid out upon the termination of any employee (currently those categories are vacation and comp time).

Each quarter, the Controller provides the Budget and Finance Manager with a detailed report by person indicating

the total amount of vacation and comp time accrued. The Controller computes the amount of the liability based on each person's actual hourly rate, then makes a journal entry for the difference between the current quarter-end liability balance and the amount on the books in the liability account (to bring the G/L up or down to the current liability amount).

Chapter 4: Fund Balance

The fund balances, or net assets, of the Washington State Bar Association (WSBA) are the difference between assets and liabilities. Fund balances are either unrestricted or restricted. The Board of Governors may designate, and has designated, portions of the WSBA's unrestricted fund balance for specific purposes. Annually during the budgeting process, the Budget & Audit Committee shall review all fund balances, determine if funds allocated to the various reserves should be adjusted taking into account the goals and purposes of each fund, and make any recommendations for adjustments to the Board of Governors.

UNRESTRICTED RESERVES

GENERAL FUND RESERVES

The General Fund supports the majority of the WSBA's work, including regulatory functions and most services to members and the public. General Fund reserves are funded by the annual operating income of the WSBA. Use of the General Fund reserves is approved by the Board of Governors, usually planned as part of the annual budget, and is reflected in any annual net loss incurred by the WSBA.

It is fiscally prudent to maintain reserves to support operations in the event that an unanticipated loss occurs. Therefore, unless recommended by the Budget & Audit Committee and approved by the Board of Governors, the total value of the General Fund Reserves shall not fall below \$2 million dollars.

- 1. Operating Reserve Fund.** The Operating Reserve Fund is a board-designated fund established to cover unanticipated expenses in the event of an emergency. As of April 2008, the Operation Reserve Fund shall be \$2.0million. Any use of this fund shall be recommended by the Budget and Audit Committee and approved by the Board of Governors.
- 2. Facilities Reserve Fund**

The Facilities Reserve Fund is a board-designated fund established to support future facilities needs such as an office move or refurbishment of existing office space or preparation for the purchase of operational real estate. The minimum balance of this fund shall be \$1,000,000. It is expected that the fund's value will increase as the WSBA gets closer to lease completion at the end of December 2026. To determine the level of reserve funds needed for a future move or refurbishment, the Budget and Audit Committee shall seek the guidance of the Facilities Subcommittee of the Budget and Audit Committee to assist in setting the facilities reserve fund balance goal no later than 5 years prior to the end of the WSBA's lease.
- 3. License Fee Stability Fund**

The License Fee Stability Fund is a board-designated fund established to assist with stabilization of license fees over time. The fund may be used to offset revenue shortages during a budget cycle in lieu of raising license fees. Any usage of the fund should be designated in the budget and approved by the Board of Governors. The minimum balance of this fund shall be determined annually. The Executive Director will work with Budget and Audit to prepare a recommendation to the Board of Governors.
- 4. Special Projects and Innovation Fund**

The Special Projects and Innovation Fund is a board-designated fund established to provide funding for the development of new and innovative programs, projects or products that support and advance the mission of the WSBA . The minimum balance of the fund shall be determined annually. The Executive Director will work with Budget and Audit to prepare a recommendation to the Board of Governors.
- 5. Unrestricted General Fund Balance**

This is the cumulative balance of net assets from General Fund operations not otherwise restricted or designated to any other fund.

CONTINUING LEGAL EDUCATION (CLE) RESERVE FUND

The CLE Reserve Fund is a board-designated fund that serves as an operating reserve in the event CLE suffers an unanticipated financial loss. The CLE reserve is funded by the annual operating income of the CLE Seminars and Products operations. Reserves may be used to cover any net loss or extraordinary costs or technology upgrades. The CLE Fund shall remain a part of the WSBA assets and, as such, is subject to the superintendence and control of the Board of Governors.

SECTIONS FUND

The Sections Fund is a board-designated operating reserve fund for the WSBA sections, consisting of the cumulative balance of net assets of all sections. Separate ledgers will be maintained for each section, making up the total for the Section Fund.

RESTRICTED RESERVES

CLIENT PROTECTION FUND (CPF)

In 1995, the Washington State Supreme Court and the WSBA created the Client Protection Fund (CPF). The purpose of this restricted fund is to relieve or mitigate a loss sustained by any person due to the dishonesty of, or failure to account for money or property entrusted to, any member of the WSBA in connection with the member's practice of law, or while acting as a fiduciary in a matter related to the member's practice of law. The CPF fund receives a mandatory annual assessment from each active lawyer and LLLT member of the WSBA. The difference between revenues and expenses of this fund each year results in the CPF restricted fundbalance.

Chapter 5: Income

License Fees

Setting License Fees

Mandatory member license fees, paid annually, are the WSBA's largest source of revenue. License fees are set by the Board of Governors and reviewed for reasonableness by the Washington Supreme Court. There is a tiered scale with different rates based upon status, and the member's original admittance date in any Bar. License fees are paid for the calendar year as contrasted to WSBA accounting which is based on Fiscal Year.

Revenue Recognition of License Fees

License fees are recognized ratably over the applicable calendar year membership period. Accordingly, fees collected during the WSBA's fiscal year that relate to the fourth quarter of the calendar membership period are included as deferred revenue in the financial statements.

Overpayments/Underpayments

Payments received in excess of the amount owed or are less than the amount owed will be handled in accordance with the overpayment/underpayment procedures.

CPF Assessment

The CPF assessment is mandatory for all active members. It is voluntary for inactive members; therefore, if the CPF assessment is paid by an inactive member, it is considered a voluntary donation.

Refunds of License Fees and CPF Assessments

Refund of license fees are controlled by Article III, Section I.4 of the WSBA Bylaws.

Procedure for Deposits/Incoming Receipts

General Procedures for Handling of Payments/Income Receipts

The WSBA Mail Room employee sorts the incoming mail. Two people sort the mail opening those pieces addressed to WSBA or to an employee who routinely receives payments. The Mail Room employee gives all payments received via mail to the Accounting Division. There are some payments that might be collected by someone other than accounting employees, including:

- Walk-in payments collected by the front desk;
- Payment information faxed or emailed to an employee;
- Payments taken over the telephone or by email by the Service Center;
- On-site CLE registrations collected at the door;
- On-site non-CLE registrations/fees collected at the door;
- Bar exam on-site sales;

- LAP client counseling payments;
- Office of Disciplinary Counsel payments for recovery of discipline costs; and
- Reimbursements from members of the Board of Governors or other boards/committees that are submitted directly to an employee reconciling the expenses related to a particular event.

Items received from any source other than the mail must be forwarded to accounting employees for inclusion in the counting process the **same or next day**. Payments received on site at a WSBA event will be forwarded to the Accounting Division the **first day the employee returns to the office** to ensure timely processing.

Employees should place checks or payment information in the Accounting lockbox (located outside the Controller's office) when Accounting employees are unavailable to receive them (e.g., after the daily deposit is made or after hours). Accounting employees will check the locked box at the end of each workday and secure the payments for processing the next day. **For security reasons, employees should not place payment information in inter-office mail, in accounting employees' in-boxes, or on accounting employees' desks.** During hours that the office is closed all forms will be stored in a locked location.

WSBA maintains three lockboxes for the placement of payments/order/credit card information: (1) in Accounting, (2) in the Service Center, and (3) in EOD/CLE. Accounting maintains keys to the lockboxes.

Accounting will process the forms in Personify and white out or black out the credit card information. In some instances (such as licensing A1 forms, bar exam applications, MCLE submittal forms), the documents are scanned and then passed onto the appropriate department, which is then responsible to store the documents in a secure locked location. In other instances (such as CLE seminar registration and product orders), the documents are scanned; then stored safely in Accounting until they are destroyed at fiscal year-end.

Specific Procedures for Handling Payments Received by Non-Accounting Employees

Note: In the procedures set forth below, the term "properly delivered to Accounting" means either (a) hand-delivered to an employee in Accounting (not via inter-office mail nor placed in an inbox or on someone's desk), or (b) placed into the Accounting lockbox (located outside the Controller's office). It is critical that all credit card information be immediately secured.

Procedure for Walk In Payments

Receptionist – When a payment is received at the front desk the information will be put into a secure locked location until an Accounting employee picks it up.

On-site CLE registration, non-CLE registration, product orders and other services forms collected off-site – Program Coordinators and other CLE employees will keep payments and order forms in a bank deposit bag that will be stored in a secure locked location. Once back at the office, the payment and order form will be promptly and properly delivered Accounting.

Other CLE orders – Other payments received by CLE (e.g., product orders) shall be placed in the EOD/CLE lockbox. CLE employees will properly deliver the orders to Accounting for processing.

Other – The form will immediately be properly delivered to Accounting.

Procedure for Payment received via Mail

All forms received by Production that contain credit card information, will be properly delivered to Accounting.

If Production passes the forms onto another department besides Accounting, then that department must store the forms in a secure locked location until they are properly delivered to Accounting. If the forms are copied before being passed onto Accounting, then the copies must have only redacted credit card information.

Procedure for Payment via Phone

Payments via phone are not permitted.

WSBA has implemented an electronic credit card (CC) payment system for licensing payments and other regulatory services payments. Due to PCI compliance and the risk of personal information being compromised we are avoiding collecting CC information outside of the prescribed system.

Procedure for Redacting credit card information

Occasionally some CC payments will come in outside of our CC system. In that case it's imperative to protect CC Information so CC information must be redacted by following the process below.

After processing the credit card information, it will be marked out with black marker or white correction tape. If a copy is made of a form prior to the credit card information being processed, then the copies must have credit card information redacted.

Procedure for Payment received via Email

Due to security concerns, receiving payments via email is not recommended. When the Service Center receives credit card payments by email, they shall print the email and put into the Service Center lockbox. An accounting employee will pick up the documents from the lockbox twice a day. The email will be permanently deleted by the end of the day received.

Credit card information received by employees outside of the Service Center will be placed in a secure locked location until properly delivered to Accounting. The email will be permanently deleted immediately.

Procedure for Payment via Fax

Payments via fax are not permitted.

Deposits

Accounting Department Cash/Check Processing Procedures

Payments from the Mail Room are added to payments received that day or the previous day from other sources. The payments are processed by at least two people in the Accounting Division (so there is dual **control**) as follows:

- Verifies that each payment matches the amount listed on the associated source document (order or registration form);
- Sorts the payments by bookkeeper;
- Endorses the back of each check using a bank stamp;

- Places the following information on each set of source documents: the date of deposit, check number, and amount;
- Runs adding machine tapes for the payments and the source documents;
- Gives the source documents to the appropriate bookkeepers for processing;and
- Deposits the cash and checks into the bank by 4:00pm.

Credit Card Processing Procedures

WSBA accepts Visa, MasterCard, and American Express for the purchase of all fees, products and services.

Orders Received by Mail, Fax, Email or Phone – Accounting collects all credit card payments each day from the multiple sources listed above. They are sorted at the end of each day and given to the appropriate bookkeepers for processing the following morning. The credit card information is entered into Personify along with the order information. The credit card is processed that night by the credit card company (the authorization and charge to the card occurs in one step). Security procedures for the protection of credit card information are noted above in the section “Specific Procedures for Handling Payments Received by Non-Accounting Employees.”

Orders Received Online - Customers pay for all online orders via Personify with a credit card. Personify processes the credit card automatically and securely stores the information in compliance with data security processing standards.

Procedure for Processing of Source Documents

The bookkeepers make every attempt to process payments the same day they are received. However, during periods of high volume (licensing season), it may take up to three to five working days to process incoming monies. The bookkeepers use the source documents and payment information to process the receipts in either Personify or Navision, whichever is most appropriate (the majority of payments are recorded in Personify; then imported to Navision at the end of the month; however, certain types of payments are processed directly in Navision).

Once the source documents are processed and balanced to the deposits, they are forwarded to the responsible department along with a copy of the posted journal. The receiving department is responsible for reviewing the documents for accuracy, and ensuring the receipt was posted to the proper account. The source documents and journal copies are kept in an organized manner and accessible should any questions arise and be retained as per the retention schedule. Accounting scans the documents after they have processed them.

Returned Checks/Declined Credit Cards

Procedure for Returned Checks

Checks may be returned to the WSBA by the bank for non-sufficient funds (NSF), "Account Closed," improper endorsement, or other reasons. Generally, those checks were accepted by the WSBA for payment of fees, products, or services.

As returned checks are received from the bank, Accounting credits the cash account and debits Accounts Receivable.

If an NSF check has been presented only once, Accounting may try re-depositing the check. If the check has been presented twice or has been returned for reasons that would prevent it from being re-deposited, Accounting will take further action including phone calls and letters. Outstanding items are reviewed on a monthly basis to determine any further action. Accounting will notify the proper employees for further collection efforts.

If the payment was for license fees or status changes, and it is still uncollected, accounting works with the Licensing Lead for further collection efforts. If the payment remains uncollected, the member may owe the penalty amounts or may be suspended for non-payment of dues.

If the payment was for the Bar Exam, Admissions is notified and depending on the timing, the applicant may not be approved to sit for the exam or may not have his/her results released until the funds have been received.

Procedure for Declined Credit Cards

If a credit card charge is declined or the credit card number is invalid, the order is cancelled in Personify and accounting employees will contact the customer to get a new credit card number or an alternate form of payment. In the event a credit card is declined where the event has happened or the customer has picked up the product, Accounting will invoice the customer for the amount owing and send a cover letter with the invoice.

Overpayments and Underpayments

Occasionally, WSBA receives payments that differ from the amount owed for the product or service. Below is how overpayments and underpayments are handled:

Overpayments

\$.99 or Less

Overpayments of \$.99 or less will be accepted, as is, without any refund efforts. The overpayment amount is credited to the appropriate income account under the cost center for that product or service. Refunds up to \$.99 overpayments will be made only upon the payer's request.

\$1.00 or More

For overpayments of \$1.00 or more, the order is processed as usual, with the overpayment amount credited to the appropriated income account under the cost center for that product or service. The amount of the overpayment is automatically refunded to the purchaser by the Accounting division. As overpayments are received, the bookkeepers submit the refund paperwork to the Controller for approval.

Underpayments

\$4.99 or Less

Underpayments of \$4.99 or less will be accepted, as is, without any other collection efforts. The underpayment amount is charged against the appropriate income account under the cost center for that product or service.

\$5.00 or More

For underpayments of \$5.00 or more, the applicable department is made aware of the underpayment and the department employee may request an invoice from Accounting for the amount owed. In some instances (e.g., CLE products and seminars), the customer is automatically invoiced by Accounting.

Procedure for Refund of Income

All refunds shall be approved by the department requesting the refund. Approved refund requests are submitted to Accounting for processing. A customer refund is handled in the same way in which the payment was received.

Credit Card Refunds

For example, a customer who paid by credit card will be refunded by credit card. If the order was initially processed in Personify, it will be refunded through Personify. If the order was processed online (CLE bookstore or MCLE website), it will be refunded directly through Verisign, the online credit card processor.

Refunds by Check

If a payment was originally made by check, WBSA will write a check for the refund. Refunds by check will only be made after verification of collection of the initial check deposited by the WSBA (standard waiting period is 2 weeks).

Deferred Revenue

Deferred Seminar Revenue

Seminar registration fees are recognized as revenue in the year in which the related seminars are held. Deferred seminar revenue relates to fees collected for seminars to be conducted in subsequent years.

Recovery of Discipline Costs under Rules for Enforcement of Lawyer Conduct

ELC 13.9 Costs and Expenses

Pursuant to ELC 13.9 *Costs and Expenses*, the WSBA may assess costs and expenses to a lawyer at the conclusion of the disciplinary process. The WSBA Office of Disciplinary Counsel (ODC) seeks costs and expenses at the conclusion of formal cases that result in discipline, or when an Admonition becomes final. In resolving cases by Stipulation [ELC 9.1(b)(4)] ODC generally "adjusts" (with approval of the Disciplinary Board or Hearing Officer) the presumed expenses.

"Costs" are certain out-of-pocket expenses (court reporters, service fees, copying costs, hearing officer expenses, etc.) related to a disciplinary proceeding that results in disciplinary action (admonition, reprimand, suspension, disbarment).

"Expenses" are the reasonable charge for attorney fees and administrative costs, and are set at a presumed level, depending on the degree of review required for a matter to become final.

After assessment of costs and expenses, the Supreme Court may enter a monetary judgment [ELC 13.9(l)].

ELC 5.3(h)(2) Investigation of Grievance

Costs and expenses (including a \$500.00 fee) are also allowed under ELC 5.3(h)(2), when a lawyer fails to cooperate in an investigation and a subpoena is issued, although the investigation may not result in disciplinary action.

Treatment of Costs and Expenses

Amounts due to the WSBA for discipline costs and expenses are not recorded as a receivable on the WSBA's books until actually collected due to the uncertainty of collection (even where judgments are recorded). When checks come in from lawyers related to their costs and expenses, they are processed as income under "Recovery of Discipline Costs."

Applicability to Limited Practice Officers and Limited License Legal Technicians

Recovery of discipline costs described above is also applicable to Limited Practice Officers and Limited Licensed Legal Technicians.

Chapter 6: Expenses

I. GENERAL EXPENSE REIMBURSEMENT POLICY

WSBA depends upon and values the time and talent of its employees and volunteers. As a steward of member funds, WSBA asks for employees and volunteers to be fiscally prudent and follow the policy at all times. **WSBA will reimburse: (1) reasonable and prudent, (2) necessary, and (3) appropriately documented, out-of-pocket expenses incurred in connection with WSBA business or meetings, as set forth herein.**

A. Scope

This policy applies to all employees and volunteers while engaged in authorized WSBA work, including, but not limited to: the President, President-elect, and Immediate Past-President; Board of Governors; Board of Governors-elect; board, committee, task force, council, and panel members; section officers, executive committees and members; and invited guests. Any items not included herein deemed necessary to conduct the WSBA's business, or that deviate from these policies due to extenuating circumstances, may be approved by the WSBA Treasurer or the Executive Director in accordance with the WSBA Fiscal Matrix.

B. Liability

The financial liability of the WSBA to any board, committee, task force, council, panel or section is limited to the funds budgeted (on a line item basis) for it in the current approved budget of the WSBA. If any volunteer, board, committee, task force, council, panel or section (or any one of its members): (1) incurs a liability that is greater than the funds budgeted or otherwise approved; or (2) incurs a liability in excess or outside of the amounts allowed by this policy, such liability will be presented to the Director of Finance who will evaluate for appropriateness. If appropriate the Director of Finance will route to the Executive Director or Treasurer for approval. In the case the expense is not deemed to be reasonable the liability will be the personal obligation of the individual responsible for incurring or authorizing the liability.

C. Policy Exceptions

- WSBA ABA Delegate expenses shall be reimbursed a reasonable amount necessary to attend the ABA House of Delegate annual and midyear meetings only, not to include education and social events connected to the ABA Conference and ancillary meetings. Delegates should seek reimbursement from the ABA for approved expenses and seek reimbursement from the WSBA for those reasonable and necessary expenses not covered by ABA policy. The budget for delegate expenses will be contained as separate and distinct line item in the Executive Director Cost Center
- Certain expenses of WSBA Officers, Board of Governors, and the Executive Director shall be reimbursed in accordance with "IV. Expense Policies: WSBA Officers and Board of Governors" and Section "V. Expense Policies: WSBA Executive Director", *infra*.
- Section executive committees may use their discretion: (a) to use section funds to cover group meal expenses for one guest per section member attendee at section events open to all section members, at executive committee meetings and retreats, and at speaker or award dinners; and (b) to pay or reimburse a speaker or award recipient and guest for travel, meals, and lodging in accordance with WSBA expense policies. Group meals are paid for an entire group on one invoice and are not subject to the per diem amounts for individuals under the reimbursement policy. As with all other expenses, group meals are expected to be reasonable.

D. General Guidelines for Reimbursement Requests

1. WSBA will not reimburse expenses that are reimbursed from another source.
2. WSBA will not reimburse expenses incurred by spouses, domestic partners or guests (hereafter collectively

referred to as “guest” or “guests”), except as identified in Section I.C above.

3. In accordance with IRS requirements, any person seeking reimbursement from WSBA shall submit a signed, dated WSBA Expense Report, supported by detailed receipts. In the absence of a detailed receipt, up to \$75 may be reimbursed for an expense by completing an Expense Affidavit Form. An Expense Affidavit is also required for reimbursement of Personal Phone and Home Internet Stipends.
4. Barring any unforeseen circumstances, all WSBA Expense Report forms and receipts must be submitted within 60 days of incurring the expense; with the exception that expenses incurred in September must be submitted within 30 days after WSBA’s September 30 fiscal year end (by October 30). Reimbursement requests for expenses incurred in the prior fiscal year submitted after October 30th of the following fiscal year will not be paid unless approved by the Executive Director and Director of Finance. The Executive Director will have discretion to approve any expense report beyond the cutoff date when the same isn’t completed due to unforeseen issues.

E. Travel Expenses

1. Volunteers:

WSBA encourages virtual meetings whenever feasible to accomplish board, committee, task force, panel, council and section work. Reimbursement of travel expenses to board, committee, task force, council, panel and section members residing out of state to attend their meetings is limited to the approximate cost of in-state travel (i.e. cost of travel from the nearest WA border to the location of the particular meeting).

2. WSBA Employees:

Employees must have prior authorization, from their supervisor or inherent in their job description, to incur travel, lodging, and meals expense on the job. All overnight stays at a Board of Governors meeting shall be approved by the Executive Director. For additional terms, see “III. Additional Employee Expense Policies”.

F. Transportation

WSBA will reimburse transportation costs based on the limits set forth below. WSBA will not reimburse for lodging *en-route except* when special circumstances such as weather, abnormal traffic patterns or personal circumstances occur. Any expense report containing en-route expenses will be approved by the Executive Director.

WSBA encourages employees and volunteers to utilize the least costly method of transportation available under the circumstances. For example, if a ticket to fly coach economy to a particular destination is less expensive than the cost of reimbursing mileage for driving then flying should be the selected mode of transportation.

1. Personal Autos: Mileage will be reimbursed at the IRS Standard Mileage Rate in effect at the time of travel. *Carpooling is encouraged.* Damage to personal autos while being used on WSBA business is not covered because a portion of the mileage reimbursement is intended to defray the insurance cost to the individual. Fines for traffic violations are also not reimbursable.
2. Rental Cars: Rental cars may be used only when economical compared to other modes of local transportation or if local transportation is nonexistent. Rental charges should be net of any discounts and will be limited to the rental cost of compact or standard-size cars.
3. Ground Transportation: WSBA will reimburse ground transportation, parking costs and tolls. WSBA will reimburse longer term airport parking at the lower of actual parking costs or an airport shuttle to/from the traveler’s home. WSBA will reimburse tips for no more than 10% of the cost of the trip, in the case where 10% is less than \$2.00 tips can be adjusted to that amount.

4. Airfare: WSBA will only reimburse coach/economy-class airfare, which should be booked sufficiently in advance of travel to obtain the lowest possible fares. WSBA will not reimburse for use of frequent flyer coupons or air miles. Use of private airplanes is permitted; however, reimbursement is limited to an amount not to exceed coach-class airfare on a commercial air carrier, purchased not less than two weeks in advance of travel, for the same or substantially similar route. WSBA will pay a cancelled airfare if WSBA cancels a meeting. Airfare change fees will only be paid for changes in a meeting schedule. *Reimbursement receipts for airline travel must include name of passenger, credit card used for payment, confirmation that flight was paid in full, date of flight, and departure and destination locations. Credit card statements and cancelled checks are not acceptable.*
5. Other: Reimbursement for any other method of travel will be reimbursed only in an amount that would have been payable had the most economical method of travel been used.
6. If there is a question about the reasonableness of a travel expense it will be escalated to the appropriate Department Director for a determination of reasonableness.

G. Lodging/Hotel Accommodations

WSBA will reimburse hotel/motel accommodations up to \$200 per night (\$225 in Seattle) plus taxes. With respect to out of state conferences, WSBA will reimburse hotel accommodations at the advertised conference hotel rate. Generally, if no lodging below the applicable limit is available or convenient in the area of the stay, department directors may approve reimbursements above the applicable per night limit utilizing the reasonable and prudent standard. WSBA will not reimburse for incidental expenses such as entertainment, personal phone calls, etc. *Reimbursement receipts must include name/location of hotel, guest name(s), date(s) of stay, and breakdown of charges for lodging, meals, telephones, and incidentals.*

H. Meal Expenses

1. WSBA will reimburse breakfast, lunch and dinner meal expenses, including reasonable tips and gratuity. WSBA will not pay or reimburse for alcohol purchases (see Section II. Purchase of Alcohol for Bar Functions). The WSBA encourages volunteers and employees to adhere to the IRS per diem guidelines for meal reimbursement which are updated periodically. The most recent per diem rates are available on the IRS website and will be updated annually on the WSBA volunteer and employee expense form. Any reimbursement requests within the maximum per diem limits for the State of Washington will be deemed reasonable. Reimbursement requests above the maximum per diem limits should be reasonable and prudent given the circumstances and context in which the expense was incurred. Requests for reimbursement above the Federal Per Diem Rates will be escalated to the appropriate Department Director for a determination of reasonableness.
2. If a meal is provided as part of a meeting or conference, no reimbursement will be made for substitute meals.
3. If a remote meeting of at least four hours in duration is scheduled through a meal period (i.e. breakfast, lunch, or dinner) then regular reimbursement rates will apply.

I. Expenses Other Than Travel/Transportation, Lodging, and Meals

1. Office Expenses: Despite use of services available through the WSBA office, volunteers may occasionally use their own resources to conduct WSBA business. Where practical, volunteers are expected to absorb, without reimbursement, minor expenditures. However, to the extent that cost records are available to document specific out-of-pocket expenses, such as telephone calls and postage, reimbursement may be made. Expenses for photocopying and facsimile use will be reimbursed at rates set by the WSBA². No reimbursement will be made for office services not detailed by this policy (for example, voice mail charges, telephone connections, etc.). No reimbursement will be made for personal costs or professional services without specific

advanceauthorization.

²Photocopying charges will be reimbursed at the actual out-of-pocket expense up to 15 cents a page. For faxes, the WSBA will reimburse the lesser of (a) the actual cost to send the fax; (b) up to 25 cents per page; or (c) up to \$5 per transmission. Appropriate documentation detailing the number of pages, fax recipients, etc. is required. The WSBA will reimburse for the telephone costs associated with long distance fax calls if detailed cost records are available.

2. Gifts/Awards: WSBA will reimburse costs (up to \$150) for the purchase of gifts, plaques or similar items recognizing an individual's extraordinary volunteer service to the WSBA and/or its component parts. Gifts from volunteers to WSBA employee are prohibited except for *de minimis* or token appreciations (up to \$50). All employee liaisons to boards, committees, task forces, councils, panels or sections should make sure the group is aware of this policy.
3. Miscellaneous: Reimbursement for expenses not otherwise described by this policy may be allowed when reasonable, necessary, appropriately documented, explained, and approved by the Executive Director or WSBA Treasurer in accordance with the Fiscal Matrix.

II. PURCHASE OF ALCOHOL FOR BAR FUNCTIONS

The WSBA prohibits the use of WSBA funds to purchase alcoholic beverages.

- A. WSBA will not pay for or reimburse alcoholic beverages purchased by volunteers or employees as part of a meal. Such purchases shall be segregated from meal expenses and paid for by the individual ordering them.
- B. Alcoholic beverages may be served at WSBA functions, as long as they are: (1) paid for with personal funds (e.g. no host bar), or with non-WSBA funds raised for that purpose; (2) paid directly to the vendor; and (3) served by a licensed bartender.
- C. WSBA funds may be used to pay ancillary costs at events such as the cost of a bartender, corkage fees for donated alcohol, and service/setup fees.

III. ADDITIONAL EMPLOYEE EXPENSE POLICIES

A. Weekend Work

Working on a weekend is treated like any other workday. Meals, daycare, etc. will not be reimbursed. However, in some circumstances, employees may be reimbursed for parking if they are required to work on a weekend (see "Private Auto- Parking" policy below).

B. Transportation

1. Rental Cars: Car rental requires pre-approval of a department director, and may be used only when economically practical compared to other modes of local transportation or if local transportation is nonexistent. Rental charges should be net of any discounts and will be limited to the rental cost of compact or standard-size cars. It is helpful to rent the car in the name of the WSBA. However, the WSBA's insurance policy contains an endorsement which extends coverage for damage to rental cars even if they are rented in an individual's name as long as they had permission from the WSBA and they are on WSBA-related business (the endorsement is intended to fill in the gaps where someone doesn't or can't rent the car in the WSBA's name). The WSBA will not pay for additional insurance coverage; the renter should decline coverage when renting in the WSBA's name.
2. Car Pooling: Employees are encouraged to car pool when it is feasible as it reduces costs, risk, and can improve coordination amongst employees when traveling together.
3. Private Auto – Parking: Employees who purchase a monthly parking space are eligible for daily parking reimbursement at a prorated rate (1/21 of the monthly parking cost) on days they are required to use their vehicles for business. Employees who normally take public transportation but occasionally need their car for work may be eligible for reimbursement of actual parking costs. This option is expected to be used only occasionally and may apply regardless of whether the employee returns to

the WSBA at the end of their work day. In addition, employees whose work assignments temporarily require substantial after-hours and weekend time in the office may request reimbursement for parking, subject to department director approval. Examples of such situations include the following: hearings; bar exam preparation; committee, section, or board meetings, licensing season; or other projects.

4. Taxi Rides: As part of the Metro Area Flex Pass program, employees who have a FlexPass and use an eligible method of transportation to work may use a taxi to get home if they meet certain emergency criteria. See the Human Resources Department for details. Directors may authorize a WSBA-paid taxi ride home in extenuating circumstances.
5. "Advances" For Travel or Expenses: The Executive Director, upon a director's recommendation, may approve travel advances. Travel advances must be requested at least 7 workdays prior to the trip to allow for sufficient time to prepare the check.

C. Meals

1. With Volunteers: Picking up the tab for lunches with volunteers outside of regular meetings should be done with caution because of consistency, fairness, and appearances. Director approval is required. Any such expenses should be charged to the committee or function budget.
2. "Buddy" Meals: Employees assigned to be the "buddy" of a new employee may take the new employee to lunch. Moderately priced lunches (around \$20 per person) should be the norm.

D. Professional License Fees

WSBA will reimburse an employee or directly pay for fees associated with professional licenses that the employee legally must have to perform his/her job at the WSBA, or which the Executive Director determines are in the interest of the WSBA for the employee to have. This includes, for example, WSBA licensing fees (but not section membership fees) for attorneys whose positions require a license to practice, the State Board of Accountancy licensing fees for CPAs, and the Department of Health licensing fees for LAP psychotherapists. Such reimbursements/payments are prorated for new employees based on the calendar year and date of beginning work at the WSBA, as follows:

Month	% Reimbursed
January	100%
February	92%
March	83%
April	75%
May	67%
June	58%
July	50%
August	42%
September	33%
October	25%
November	16%
December	8%

E. Professional Liability Insurance

WSBA reimburses Lawyers Assistance Program employees for the cost of professional liability coverage for their activities conducted pursuant to their employment with WSBA. An employee who leaves WSBA employment during the insured period must refund to the WSBA that portion of the reimbursement covering any insured period after WSBA employment ends.

F. Employee Membership Dues

WSBA may reimburse or pay membership dues for employees to belong to local, state, or national organizations, subject to director approval and budget constraints.

G. Employee Cell Phone Expense Reimbursement Policy

This policy covers the reimbursement policies and procedures for business use of employee-owned cell phones.

The WSBA acknowledges the use of cell phones is required of some employees to fulfill the responsibilities of their position. As a result the WSBA has defined two ways of providing cell phone service to employees whose position requires the use of cell phones.

1. Issue a WSBA owned cell phone
2. Allow for use of employee’s personal phone and provide a reimbursement

Providing a WSBA Phone

Providing a WSBA Phone will require approval of the Department Director. The XXXXXX department will be required to maintain a record of both the approvals and the phones issued. This is a critical step as these phones will be subject to public records rules. The type of phone to be issued will be determined by IT.

Use of Personal Phone for Work

The WSBA will reimburse for use of personal phones. In order to qualify for a reimbursement, the employee must be authorized to use their personal phone by their Department Director. A person who qualifies for a WSBA issued cell phone (based on their job duties) but chooses to use their personal cellular phone for WSBA business may be authorized to seek reimbursement in lieu of being issued a WSBA cellular phone.

1. The reimbursement will be at a rate of \$20 per month.
2. The appropriate director must approve this arrangement in writing.

H. Employee Parties and Celebrations

1. Generally, events in which all employees are invited to participate, or were approved by the Executive Director and the directors in advance, are paid by the WSBA. These include:
 - Refreshments for all-employees meetings;and
 - Executive Director's purchase of treats for the entire employees for a special occasion.
2. Examples of where the WSBA *will not pay* include (any exceptions to this must be approved in advance by the Executive Director):
 - Personal celebrations like showers for weddings or babies;
 - Flowers for personal events, like illness or death in the family;and
 - Going-away luncheons or gifts.

I. Employee Development Budget

Each director is given an annual Employee Development budget, with sole discretion to use Employees Development funds reasonably for team building items such as employee retreats or activities, department meetings, meals or snacks, coffee or lunches with employees, and tokens or small gifts of appreciation for employees.

IV. EXPENSE POLICIES: WSBA OFFICERS AND BOARD OF GOVERNORS

The officers and members of the Board of Governors (including sitting and newly elected officers and Governors) are fiduciaries of WSBA and ambassadors to WSBA boards, committees, task forces, councils, panels and sections; to local and specialty bar associations in Washington State; and to other related groups or officials. It is expected that WSBA officers and governors will incur certain expenses in furtherance of this responsibility, and will comply with the expense policies of the WSBA, with the following exceptions:

A. Guest Meal Expenses

Individual meals for a guest of an officer or governor may be reimbursed when no group meal is provided (up to the limits set forth in the "Meal Expenses" section of the General Expense Reimbursement Policy). Separate lodging/rooms and transportation costs will not be reimbursed.

B. Officer and Governor Attendance at Law-Related Events

From time to time WSBA officers and governors are invited to attend a ticketed, non-educational event sponsored by an outside organization. Usually, these invitations come from local or specialty Bar Associations in the state of Washington, or a similar national organization having a local meeting, or other law-related organizations. The primary purpose of the event may be to raise funds for the organization, or it may be social or networking occasion.

The Board affirms its role as a statewide organization to reach out to these interest groups, to encourage and support other Bar Associations and law-related organizations, to further the understanding of the activities and purposes of the WSBA, and to foster collegiality among its members and goodwill between the Bar and the public; in a fiscally prudent manner.

To this end, WSBA will annually reimburse expenses incurred for group registration events as follows:

	Statewide Events	Local and Specialty Bar Events	Significant County Bar Events
Officer	yes	up to 8	yes
Governor	yes	up to 6	In Governor's home district

The Executive Director may approve exceptions to these limits. WSBA reserves the right to request reimbursement for cancellations to group registration events.

C. Officer and Governor Travel to and Attendance at National/Regional Events

Educational, training, or networking events for officers and/or governors are approved as part of the budget process based on the educational/networking value. Examples include the Bar Leaders Conference, Western States Bar Conference, American Bar Association annual or mid-year meetings, or meetings of the National Council of Bar Presidents.

The following policy has been adopted by the Board of Governors:

1. Officer Conferences:

The President, President-elect, Past President, and Treasurer may attend three national conferences and the Western States Bar Conference. The President, President-elect, Treasurer, and Past President may also attend the Northwest Bar Leaders meeting.

2. Governor Conferences

Governors may attend one national or regional conference during their term of service on the Board of Governors

V. EXPENSE POLICIES: WSBA EXECUTIVE DIRECTOR

The Executive Director is an ambassador of WSBA to WSBA boards, committees, task forces, councils, panels and sections; to local and specialty bar associations in Washington State; and to other related groups or officials. It is expected that the Executive Director will incur certain expenses in the furtherance of this responsibility. The Executive Director shall comply with the expense policies of the WSBA, with the following exceptions:

A. Guest Meal Expenses

Individual meals for a guest will be reimbursed only at Board of Governor functions when no group meal is provided (up to the limits set forth in the "Meal Expenses" section of the General Expense Reimbursement Policy). Separate lodging/rooms and transportation costs will not be reimbursed.

B. Attendance at Law-Related Events

The Executive Director shall be reimbursed for attendance at law-related events when he/she is attending in his/her official capacity.

C. Travel

Reimbursement will be made for travel costs (transportation, lodging, meals and incidentals) to other bar associations when the purpose of the trip is to meet with another bar's Executive Director or elected official(s) for the purpose of furthering WSBA business. This would include local and specialty bar associations in Washington State, and unified or voluntary bar associations in other states. The Executive Director is also reimbursed for attendance fees and travel and lodging expenses to attend work-related educational seminars, such as, but not limited to, American Bar Association, Western States Bar Conference, Bar Leaders Institute, and the National Association of Bar Executives.

D. Meals

WSBA will reimburse meal expenses of the Executive Director and any WSBA or Washington State elected or appointed official(s) when the purpose of the meal is for the Executive Director or WSBA or Washington State elected or appointed official(s) to conduct WSBA business with the official(s). This would also include Washington state local and specialty bar elected or appointed officials.

E. Review of Payments to Executive Director

At least quarterly, the Treasurer shall review the payments made to the Executive Director (including salary, benefits, credit card charges, and reimbursements). The Budget and Finance Manager prepares a quarterly report for the Treasurer to review and sign.

VI. CLE SPEAKERS/PROGRAM PARTICIPANTS EXPENSES

In general, reimbursements to speakers and program participants shall be reimbursed according to the WSBA guidelines. However, with prior approval of the Executive Director, W S B A may approve reimbursements for lodging and meal expenses above the WSBA rates, as supported with appropriate receipts.

VII. ACCOMMODATION FUND

A. Purpose

The WSBA Accommodation Fund and Procedures are established to support the WSBA Accessibility Policy and ensure reasonable accommodation to members' participation in WSBA services, programs and events. Accommodation for services, programs and events is available to all members with disabilities. Reasonable accommodation includes such accommodation as sign language interpretation, sound enhancement, or other accommodation requested by members wishing to participate in WSBA services, programs and events.

B. Procedures

Persons should request accommodation through WSBA employees organizing the event (Organizer). The request should describe the event or series of events and the accommodation requested. Dialogue with the person requesting accommodation may be necessary to assure the most appropriate accommodation. All accommodation requests should be made as far in advance as possible, at least two weeks in advance of the event is strongly recommended to allow the best accommodation possible. The Organizer will review the request and outline the reasonable accommodation available. Reimbursement requests or pay-ahead service requests will be handled by the Organizer to ensure privacy. Should the request be beyond the expertise of the Organizer, even after consultation with Human Resources, outside experts will be consulted.

C. Other

The Accommodation Fund is intended primarily for use by WSBA members—other resources are available for WSBA employee accommodation and the Accommodation Fund is not intended to cover other overall accessibility accommodation which are budgeted for separately. The Accommodation Fund is not intended to cover facility or general accommodation needs. These matters will be handled by employees working with the facility at which the meeting or event is to be held.

D. Funding

The amount of funding available for accommodation will be set annually as an estimate of need in the budget process but may be modified by the Budget and Audit Committee if further needs arise to assure accommodation. The Organizer shall work with the Chief Financial Officer to prepare a request for increased funding which will be considered by the Budget and Audit Committee at its next meeting. In time sensitive circumstances the Executive Director can preliminarily approve a request which exceeds the Accommodation Fund, so long as the funds are available within the current fiscal year budget, subject to the Fiscal Responsibility

Matrix.

VIII. WSBA CREDIT CARDS

Each department director and some employees who frequently incur travel expenses (e.g., investigators) are issued individual WSBA corporate credit cards ("card holder") to cover WSBA business expenses only; personal charges are not allowed. An exception is if the charge contains personal expenses beyond the WSBA limit, in which case the card holder shall submit a check to Accounting with the credit card bill. All charges on a WSBA credit card must be supported by appropriate detailed receipts.

Card holders may authorize their employees to use their credit card for business expenses. However, the card holders remain responsible for all charges made using their credit card; specifically, that all charges comply with WSBA policies, are made within the delegated budget authority, and are coded to the proper general ledger account.

Each card holder must approve the monthly statement for his/her credit card. The monthly statement, along with detailed receipts and general ledger coding information, shall be submitted to the A/P Bookkeeper within 10 days of the end of the month.

Employees who support the WSBA's conference rooms and CLE Conference Center may be issued credit cards for the purpose of purchasing office supplies, food service, kitchen supplies, etc. in order to efficiently and cost-effectively manage the conference rooms and provide support to employee meetings. The monthly American Express bill shall be reconciled and coded to the proper general ledger accounts, then given to the Chief Financial Officer for review and approval.

IX. FUNCTIONAL ACCOUNTING PROCEDURES/ALLOCATION OF INDIRECT EXPENSES

"Indirect" expenses are expenses that benefit the whole organization; in many ways they are the basic cost of doing business. Examples include salaries, benefits, rent, telephone, insurance, legal advice, auditing services, computer equipment, etc., as well as all-employee meetings, coffee/tea service, etc. GAAP does not require a specific method of allocating expenses to their appropriate function. There are numerous ways to allocate common expenses, but there is no one correct way. However, the method chosen must be meaningful, reasonable, accurate, and consistently applied. Changes in the method of allocating indirect expenses, and what specific expenses are included in indirect expenses, are generally disclosed in the audited financial statements.

The main goal of allocating common expenses is to provide the "true cost" of each program. However, getting a "true cost" is a misnomer, since different allocation methods will produce different results. The organization must choose a reasonable method that makes sense and will produce "accurate enough" information. Thus, it is important to understand that you are never really seeing the true cost of any program; you are seeing as close as we can get based on the allocation method chosen. A good example of this is how the WSBA treats certain support expenses. The WSBA has several departments which support all the cost centers, but for which the costs are not allocated to the indirect pool. No employee time for the Human Resources department or Information Technology department is allocated to other cost centers, although they primarily exist to support all cost centers. Thus, the "true cost" of a program does not include many of the WSBA support functions provided to it. It is helpful to understand this when conducting reviews of programs and cost centers.

WSBA has been using functional accounting since 1992. Direct expenses are recorded 100% to the appropriate cost center. Examples include committee expenses, employee travel, events, etc. The WSBA allocates indirect expenses as follows:

- Salaries – Salaries are directly allocated (through payroll) to the cost centers in which the employees primarily work. For example, some employees are allocated among several cost centers in one department (e.g., Advancement or Regulatory Services Departments). Many employees are allocated to only one cost center, although they perform work for many functional areas (e.g., Finance and Administration Department employees). *The allocation of employees is done through the budget process; employees are allocated throughout the year just as they are budgeted.* Therefore, a person may be budgeted at 25%, but may actually spend more or less of their time performing work for that cost center. However, the person is allocated through payroll at 25% regardless of their actual time spent unless a mid-year change in actual allocation is authorized by the Executive Director as part of the Reforecast process. Actual time is considered in allocating employees for the next budget year.
- Benefits – When incurred, benefits expenses are pooled together and allocated among the cost centers *based on the salary expenses (dollars, not FTEs)* for each cost center. This method proportionately distributes benefits in relationship to the salaries expenses. Thus, the departments with higher-paid employees will also incur a higher share of benefits expense.
- Other Indirect Expenses (insurance, telephone, professional fees, etc.) – The WSBA allocates all other indirect expenses based on the *number of FTE's* in a cost center. For example, if a cost center has 10 out of 138 of WSBA's FTEs, then it will be allocated 7.2% (10/138) of the pool of indirect expenses.

Chapter 7: Other Accounting Policies

Policy on Committee and Board Use of WSBA Funds

This Policy restricts committees (standing, ad hoc, special, or other) and boards from donating or contributing WSBA funds to programs or causes not specifically authorized in the approved budget. This restriction on the use of WSBA funds does not apply to sections since general WSBA funds are not used for sections.

Donations/Contributions/Sponsorships to outside entities

WSBA committees and boards are prohibited from donating, contributing to, or financially sponsoring outside entities or causes with WSBA funds even if the allocated budget has unexpended funds, except with special review by the General Counsel and further authorization from the WSBA Executive Director. This applies to donations to entities such as other bar associations, legal organizations, or outside causes. Requests made to the Executive Director must be made in writing at least 30 days prior to the desired date of the contribution.

Making charitable contributions

WSBA committees and boards are prohibited from making charitable contributions with WSBA funds.

Contributing to WSBA-Funded Programs

WSBA committees and boards are prohibited from donating or contributing WSBA funds to other WSBA-funded programs.

Employee Gifts

Use of WSBA funds, including committee and board budget funds, for gifts to WSBA employees are prohibited except for *de minimis* or token appreciations.

Procedure for Pre-approval of Form Content

The Controller must **pre-approve** the **content** of all documents that request payment (such as event registrations, order forms, or applications) that WSBA intends to either mail out or include in the *Bar News*, on the Bar web site, or in newsletters. This type of document must include specific information to ensure the correct application of any payment(s) returned to the Bar. Accounting must review the document **before** the document is mailed or published.

In the case of form letters, the template should be given to the Controller for review and approval before any letters are mailed. In the case of order forms, once the order form is designed (but not yet mailed or published), a "draft" copy should be given to the Controller for review and approval.

WSBA Price List and User Fees

User fees for Bar products and services are set and revised periodically either during the budgeting process or as deemed appropriate by the department director

Taxes

Local Taxes

WSBA pays personal property taxes to the City of Seattle in accordance with local laws.

State Taxes

WSBA pays taxes to the State of Washington for:

- Use and sales taxes on the sale of taxable products;
- Department of Labor and Industry (L & I) workman's compensation taxes (the reports are prepared and filed by WSBA); and
- State Unemployment (SUTA) tax, which is paid on an "experience" basis only (the SUTA reports are prepared quarterly by ADP, WSBA's payroll vendor).

WSBA is exempt from State of Washington:

- Business and Occupation (B & O) tax, since WSBA is an instrumentality of the State Supreme Court.

Federal Taxes

The WSBA does not pay Federal Unemployment (FUTA) tax.

Letter regarding WSBA Tax Exempt Status

Please contact the Office of General Counsel or the Chief Financial Officer.

Grants

WSBA programs may seek grant funding from foundations/organizations to support specific projects/programs.

Grant application

- With the support of the Executive Director, applications for grants, budget worksheets, grant checklists or work plans will be completed by the WSBA program requesting the grant.
- General Counsel will review grant applications for legal content.
- Accounting information will be reviewed by the Chief Financial Officer before submission.
- The Executive Director will approve in-kind expenses related to a grant.
- The Executive Director or designee must approve the grant request before the application can be submitted to the funding organization.

Grant Awards

- Grantees will alert the Accounting Division as to the amount and approximate date of receipt of grant funds.
- Reports, as required by the grant, will be completed by the grantee with assistance from Accounting.
- If unused funds are to be returned to the Grantor at the end of the grant period, the grantee and Controller will balance the dollar amount to be returned. A Check Request will then be prepared by the grantee and, after securing proper approval, forwarded to Accounting for processing.

Managing Grant Funds

- If grant amount is over \$20,000 and anticipated to benefit more than one fiscal year, the amount received will be deposited into a liability account and moved monthly as funds are spent. If the grant is anticipated to be used in the current fiscal year, the funds will be deposited into an income account when received.
- The Controller will review grant status with the grant recipient at fiscal year-end to determine and record the amount to be carried forward to the next year. Unexpended grant funds (i.e., for grants that cover more than one fiscal year) will be moved to a liability account at fiscal year-end by the Controller. This net amount would be adjusted for any expenses not charged as direct expense (i.e., salary/benefits, rent/office space) but included in the grant. The Controller will move those funds to the income account in the appropriate cost center as the related grant expenses are incurred.
- Expenses will be charged to an expense account within the same cost center.
- WSBA may charge an administrative fee. The fee amount would be determined by the grant requirements.
- Awarded Grants will be included within the appropriate cost center's income and expense categories in the annual budget process for that particular fiscal year.

Public Records Access and Fee Policies

WSBA's public records policies and procedures are set forth at <http://www.wsba.org/About-WSBA/Contact-Us/Request-Public-Bar-Records>.

Submitting Matters to the Board of Governors for Action

Pursuant to the WSBA Bylaws, the Board of Governors (BOG) is the governing body of the Bar that determines the general policies of the Bar and approves its budget each year. In January, 2020, the BOG adopted a policy entitled [Board of Governors Policy RE: Requests for Action \(Page 195\)](#). The policy sets forth the preferred process for submitting matters to the Board for action. The portions of that policy relevant to the fiscal policies are provided as follows:

3. Analysis. When a matter has been requested by a WSBA entity or has been approved for further exploration by a BOG Committee, the Executive Director will ensure that the matter is analyzed, including fiscal impact, stakeholder analysis and input, rule compliance, and implementation implications. A reasonable amount of time should be provided for this analysis taking into account the scope, magnitude, and relative novelty of the request. This information will be shared, as appropriate, to aid in the Board's decision-making.

Requests Requiring Amendment to the WSBA Budget

Changes to the WSBA Budget should not be approved without a rigorous review of the pros, cons and impacts of said change. As such, any request, proposal, change or suggestion that would require a change to the WSBA budget that arises during a meeting or has not been subject to analysis as described above, should be tabled until the next BOG meeting in order to provide time for that analysis.

The review will be performed by the Treasurer, Director of Finance, HR Director, WSBA President, and the Executive lead for the department affected. The review and potential request will be taken to the Budget and

Audit committee for discussion and analysis. The committee's recommendation(s), are intended to be completed and delivered to the BOG for approval in its next meeting.

Chapter 8: Summary of Internal Accounting Controls

Bank Accounts

- The Board of Governors approves banking authorities.
- The Bank is notified timely of signature changes.
- The Accounting employee who makes the daily deposit is someone other than the employee who processes the receipts.
- The A/P Bookkeeper or Controller do not have signing authority to any WSBA bank accounts.
- Check signers are independent of check preparation.

Bank Reconciliations

- Bank statements are delivered to the appropriate independent person unopened or provided via online access
- WSBA employees reconciling the bank accounts are not involved in day-to-day processing of receipts or expenses.
- Bank reconciliations are generally completed by the 20th working day of each month.
- Copies of completed bank reconciliations are distributed to the Chief Financial Officer and Controller for review.
- A detailed process is followed for checks outstanding for over 90 days.

Investments

- Investment guidelines are approved by the Board of Governors.
- WSBA employees authorized to invest are approved by the Board of Governors.
- All investment paperwork is kept in a safe location.
- All investments are under the name of the Washington State Bar Association or the Client Protection Fund.
- Detailed records are kept on each investment (for example, purchase date, maturity date, interest rate, annual percentage yield, how interest will be paid, purchase price, name of institution, etc.).
- Detailed records are kept by someone other than the person who authorized the investment.

Cash/Check Handling

- Incoming mail is initially opened by two employees (Production employees) with no access to accounting records.
- The cash/check processing is always done by a minimum of two WSBA employees.
- The process results in a daily grand total which is balanced once all receipts are processed.
- WSBA employees do not count/tally a category of receipts they would then process.
- All checks are locked up in a secure location until they are deposited into the bank. Only authorized Accounting employees have access.
- Daily receipts are deposited into the bank by the end of each day.
- Cash received at the front desk is recorded on the log sheet.
- Cash received at the front desk is locked up when the office is closed.
- Payments (checks, cash, or credit card info.) and backup from an outside event are collected by WSBA employees at the event and turned into Accounting the first day the employees return to the office.

Petty Cash

- Petty Cash boxes are kept in a secure location – always locked when the office is closed.
- Access to Petty Cash is limited to a small number of employees who do not process receipts.
- Petty Cash boxes are audited regularly by someone without regular access to the box.
- Reimbursements for petty cash expenditures up to \$30 or \$50 are disbursed by a limited small number of employees.
- Petty Cash forms must be completed with documentation and approval before funds can be disbursed.
- Petty Cash will be replenished by completing a Check Request and being processed through the Accounts Payable process.
- IOU's, employee advances, and check cashing are not allowed.
- Petty Cash boxes are kept separate and not mingled with any other cash.

Credit Card Information

WSBA will take necessary steps to ensure it complies with federal and state laws regarding the protection of credit card information (payment card industry data security processing standards). The following general guidelines shall be followed:

- Where possible and feasible, the preferred method of receiving credit card information is from customers/members online whereby the credit card numbers are never seen by employees. Therefore, WSBA shall attempt to provide as many of its products and services online as is possible.
- Where credit card information is received in the mail on WSBA forms, via email, through a walk-in, or by telephone, the following guidelines apply:
 - Employees shall take care to adequately secure, in a locked location, any credit card information until it is processed by accounting (see specific procedures in Chapter 5). Employees may lock such information in drawers or cabinets or use lockboxes provided in Accounting, the Service Center, and EOD/CLE. The fewer people that handle credit card information, the better.
 - After the credit card information is entered into Personify, where the payment is processed, it shall be thoroughly redacted from the form before scanning, sending to other departments, or storage.
 - Original forms containing redacted credit card information that are maintained by departments outside Accounting shall be kept in a locked location until they are destroyed.
- Employees do not have access to credit card numbers stored in the Personify database or Cyber source because the numbers are encrypted for security.
- Credit card numbers and payment information is not subject to public disclosure and should never be given to anyone outside of the WSBA.

Accounts Receivable

- All invoiced items will be processed through the accounting software.
- Any adjustments must be approved by appropriate department director.

Cash Disbursements

- Checks are pre-numbered and used in sequence.
- Blank check stock is locked up and access is limited.
- A/P Bookkeeper does not have authority to approve or change expense requests.
- A/P Bookkeeper audits reimbursement forms (Check Requests, Expense Reports, and Petty Cash Slips) for accuracy and adherence to policy.
- A/P Bookkeeper ensures each Check Request or Expense Report has been approved by an authorized employee.
- All checks are processed through the accounting software system.
- Blank checks are not signed.
- Checks are always made payable to a person or company - never to cash or bearer.
- Checks presented for signature include backup explaining the reason for the check.
- A copy of the check is attached to the backup and filed in the 'paid' file.
- Voided/spoiled checks are stamped 'void' and maintained in locked cabinet for safekeeping.

Check Signature Stamp Policy

This Check Signature Stamp Policy is designed to speed up the check signing process while providing adequate internal controls over the signature of checks. This policy is only applicable to the Executive Director; other check signers must personally sign the checks. The Check Request will be initialed by the Executive Director, indicating approval to stamp the checks. The Executive Director will then contact Finance & Administration Administrative Assistant, who will pick up the checks, stamp them, and mail them. Any checks that have not been approved will be given to the A/P Bookkeeper for further review.

Exception: Any checks over \$10,000.00 require two signatures and will be hand signed by both signers and included for mailing with the regular checks.

The only person with access to the signature stamp will be the Finance & Administration Administrative Assistant, who will keep it locked up at all times. At no time should the Controller or the A/P Bookkeeper have access to the stamp.

Miscellaneous

- A/P, A/R and General Ledger functions are performed by separate employees.

Chapter 9: Client Protection Fund

Accounting Policy

In 1995, the Washington Supreme Court and the WSBA created the Client Protection Fund ("Fund"). The Fund may be used for the purpose of relieving or mitigating a loss sustained by any person due to the dishonesty of, or failure to account for money or property entrusted to, any member of the WSBA in connection with the member's practice of law, or while acting as a fiduciary in a matter related to the member's practice of law. The Fund is governed by Admission to Practice Rule 15.

The Fund is maintained as a trust, separate from other funds of the WSBA. The Fund has its own checking/savings account and investment accounts. The Fund is maintained as a restricted fund on WSBA's books (designated as a separate cost center in the general ledger). The Fund is completely self-supporting – it receives no revenue from the WSBA or other entities. The Fund cannot expend more than it has collected.

Revenue Procedures

Court-Ordered Assessment

Each active lawyer and LLLT WSBA member, and some other licensees, pay an annual assessment to the Fund; this is the Fund's main source of revenue. Assessment amounts are set by Supreme Court Order, based on recommendations by the WSBA Board of Governors. Assessments are invoiced with each active member's, or licensee's, license fee and are deposited in the WSBA general checking account. During the closing period at each month end, the Accountant makes a journal entry in the general ledger to transfer the assessments received that month from the WSBA general checking account to the CPF checking account. This amount is transferred by the Controller from the WSBA checking account to the CPF checking account.

Investment Revenue

The Fund's excess cash is invested in accordance with WSBA's Investment Policy. Journal entries for the Fund's investment income are prepared by the Budget and Finance Manager and given to the Accountant for posting.

Restitution Revenue

The Fund attempts to recover its payments from the members on whose behalf gifts are made, and thus receives some restitution payments. These payments are deposited in the Fund's checking account when received, and recorded in the Fund's restitution general ledger revenue account.

Expense Procedures

The Fund's major expense is gifts made to injured clients. Applicants request a gift by completing and submitting an application form; the Client Protection Board makes gifts and recommends gifts requiring approval to the trustees. Once a gift is approved, the applicant must sign a subrogation agreement. The Client Protection Fund Analyst prepares a Check Request and submits it to the A/P Bookkeeper, who prepares checks payable from the CPF checking account. The Accountant makes the appropriate journal entries on the CPF general ledger. The maximum gift allowed is \$150,000.00. Gifts for more than \$5,000.00 are split into an initial payment and a second payment at the end of the fiscal year. This is one of the controls on the Fund. If necessary, the year-end payments are pro-rated by the Board of Governors to maintain the fund viability.

The Fund also pays its administrative costs, which consist of its share of WSBA salaries, benefits and overhead (indirect) expenses, and expenses of the CPF Committee, which oversees the Fund and approves payments. These expenses are recorded at the end of each month.

The Accountant prepares a preliminary Statement of Activities for the Fund each quarter end to determine the liability to the WSBA general fund for CPF expenses paid that quarter by the WSBA. Once that amount is

determined, the Accountant gives the reimbursement amount to the Controller, who transfers the reimbursement amount from the CPF checking account to the WSBA checking account.

Procedure for Financial Reports

Each quarter, the Accountant prepares a Statement of Financial Position and a final Statement of Activities, for the quarter and year-to-date, and a Statement of Changes in Net Assets for the year-to-date. These statements are sent to the Assistant General Counsel assigned to work with the Client Protection Board, who reviews them with the CPF Committee. Annually, these financial reports are included in the annual CPF report to the Board of Governors and the Court

Chapter 10: Sections

Overview of Section Funds

WSBA has unrestricted, designated, and restricted fund balances. See Chapter 4, Unrestricted and Restricted Fund Balance Policy. All funds collected by the WSBA on behalf of a Section are subject to the control and fiscal oversight of the Board of Governors. Beginning in fiscal year 1994, the Board directed that the total difference between revenues, and direct and indirect expenses, for all Sections each year be designated as Section funds. Indirect expenses are that portion of the WSBA's employees' time and overhead expenses attributed to support of and work for the Sections (reimbursed through the "per-member" charge). Separate ledgers will be maintained for each Section, making up the total for the Section funds.

It is recommended that a Section's fund balance be consistent with its future needs. Generally, the purposes of a fund balance are to:

- Provide a cushion for an unexpected shortfall in revenue.
- Provide a cushion for an unexpected expense.
- Provide for a specific future event that does not occur annually.
- Provide the ability to take advantage of an unforeseen unique opportunity.

A Section's fund balance should be enough to sustain a consistent level of programming in the event there are severe fluctuations in annual Section membership (six months' worth of direct programming expenses are recommended as a guideline). In addition, a Section may plan for specific stated purposes (e.g., scholarships, special events, conferences, publications, and other member benefits). Sections are discouraged from maintaining fund balances in excess of two years' worth of direct programming expenses and specified purposes.

If a Section finds it has accumulated a larger fund balance than recommended above, Section leadership should devise a plan to spend down the fund balance by budgeting and incurring a loss in one or more subsequent fiscal years. Some suggestions are as follows:

- Reduce member dues.
- Subsidize the cost of full-day seminars by reducing the cost per member (the Section will pay the difference between the standard seminar price and what the Section would like to charge).
- High visibility or national-level speaker for a CLE program.
- Scholarships for law school students.
- Special educational projects (e.g., youth courts, mock trial programs, law school events).
- Improve membership resources (e.g., newsletters, website, law updates, handbooks, publications).
- Annual grant program to help support work of community-based programs providing access to civil legal services.
- Produce or sponsor law-related public information (e.g., Citizens' Rights brochures, sponsor lawforwa.gov website or votingforjudges.org, TVW's "TheDocket").
- Donate to Washington State Bar Foundation.
- Sponsor projects through the Washington State Bar Foundation.

Executive Committees' Fiscal Responsibility

Each Section is entrusted with funds that are paid by its members as dues and that are the fruits of volunteer efforts (such as the Section's share of revenues from CLE programs and mid-year/annual meetings). Each Section's Executive Committee is charged with the duty of approving Section expenditures. As stewards of the Section's finances, the Committee should be responsible in authorizing expenditures in accordance with WSBA and Section policies.

Section Budgets

WSBA's and the Sections' fiscal year is October 1 through September 30. Section budgets are approved annually by the Board of Governors as part of the WSBA's annual budget. See Chapter 1, Key Fiscal Policies – Budget Policies and Process.

Monthly Financial Reports

Monthly financial statements will be sent to each Section chair, chair-elect, treasurer, and/or other executive committee members as requested by the section's executive committee, within a reasonable time after the close of each month with the exception of September due to the close of the fiscal year-end. These summary reports will show the Section's annual budget, actual monthly revenue and expenses, and year-to-date revenue and expenses. A detail report of posted transactions will also be provided. Section chairs, chairs-elect, and treasurers should review their Sections' monthly financial statements for accuracy and comparison to budget, and contact the Section's staff liaison if they have any questions about the amount of an income or expense item, the category in which it is recorded, or any other concerns.

Section Revenue

Member Dues

Section member dues are collected by the WSBA throughout the year. Each fall, membership renewal forms are sent to all WSBA active members and Section members from the prior fiscal year.

Interest Earned on Section Fund Balances

Annually, each Section may receive interest income on its fund balance. The calculation and journal entry will be made at the close of WSBA's fiscal year, prior to the annual audit of WSBA's financial statements. Each Section's share of interest income will be determined by taking the average interest rate earned by WSBA on its investments that fiscal year (excluding investments of reserve funds) and applying that rate to the average of the final year-end fund balance of each Section in the current and preceding fiscal years.

WSBA CLE and Programs Presented in Partnership with Sections *(updated and approved by the Board of Governors on July 27, 2018)*

Programs Co-sponsored with Sections

The goal of all WSBA CLE programs is to support the mission and strategic goals of the organization. WSBA Sections are an important partner in these efforts. WSBA retains fiscal reserves ("WSBA CLE Fund") to mitigate against changes in the CLE market, sustain and improve important technology required for the delivery of CLE programs, and protect against unexpected revenue shortfalls.

Net seminar and any associated net on-demand product revenue for all WSBA CLE programs developed in partnership with Sections (excluding mini-CLEs) will be split between the WSBA CLE Fund and the partnering Section's cost center. Beginning with seminars delivered in FY19, net revenues will be split 50-50 (%) between the WSBA CLE Fund and the partnering Section's cost center, up to a total net revenue of \$8,000. Net revenue exceeding \$8,000 will be split 65% to WSBA and 35% to the Section. WSBA will absorb any net losses sustained by individual programs.

In calculating net revenue, WSBA will subtract all direct and indirect costs for the development of the live program and on-demand product from the gross revenue of the live program and on-demand product sales. WSBA will keep the Section informed of the program financials in a timely and transparent manner. Following each fiscal year's close, the partnering Section will receive its portion of any net revenue earned in that fiscal year, based on audited financial statements.

Because the CLE market is dynamic, WSBA and the Sections will annually review overall results and may seek to adjust the revenue sharing terms set forth in this policy to ensure that CLE programming and WSBA CLE Fund reserves are sustainable.

Mini-CLEs

WSBA CLE also supports Section CLE programming through a "Mini-CLE" model. Mini-CLEs are seen as exclusively member-benefit programs. They do not exceed 2.0 credit hours in length and registration fees must be \$35 or less. For Mini-CLEs, WSBA staff provides limited assistance at no charge to the Section (e.g., program accreditation, reporting, and attendance tracking). Sections do much more of the preparation and production of seminars than regular CLE programming, and are responsible for working in collaboration with WSBA (e.g., following procedures outlined including timely notice, providing onsite registration personnel).

Section Expenses

A WSBA Section, by duly authorized act of the governing board or committee of the Section, shall be authorized to expend all money as budgeted without prior approval by the Board of Governors, provided the following conditions have been met:

- The expenditure is consistent with the approved budget and WSBA expense policies;
- The expenditure is within the goals of WSBA as defined by Supreme Court Rule and the Bylaws; and
- The expenditure does not violate the restricted acts of WSBA as defined by Supreme Court Rule, or WSBA or Section Bylaws.

If a Section wishes to spend funds otherwise (in excess of \$500.00 over budgeted amount), Section leadership should prepare a written request outlining the purpose and amount of the proposed expenditure and submit it to the Section's staff liaison who will submit it to the Director of Finance and Director of Advancement for review and approval.

Per-Member Charge

Each Section shall reimburse WSBA for the cost of administering the various Sections through an annual per-member charge. See Chapter 6, Expenses – Functional Accounting/Allocation of Indirect Expenses for details.

Expenses in Excess of Annual Budget

Personal Liability. (WSBA Bylaws as updated and approved by the Board of Governors) Article V (B) 2 of the WSBA Bylaws states: "The financial obligation of the Bar to any Bar entity is limited to the amount budgeted and ceases upon payment of that amount unless the BOG authorizes otherwise."

Article V (B) 3 of the WSBA Bylaws states: "Any liability incurred by any Bar entity, or by its members, in excess of the funds budgeted, will be the personal liability of the person or persons responsible for incurring or authorizing the liability."

Article V (B) 4 of the WSBA Bylaws states: "Any liability incurred by any Bar entity, or by its members, not in accordance with the policies of the BOG or in conflict with any part of these Bylaws, will be the personal liability of the person or persons responsible for incurring or authorizing the liability"

Expenses Over Budget – Directors of Finance and Advancement Approval

Once a Section has incurred its budgeted expenses for the year and spent any additional unbudgeted revenue, no further expenses for the Section will be paid unless a spending plan for the remainder of the fiscal year is approved by the Directors of Finance and Advancement. Requests for additional expenses and a spending plan shall be submitted in writing to the Section's staff liaison who will submit it to the Director of Finance and Director of Advancement for review and approval.

Expenses Over Budget – WSBA Executive Director Approval

Unbudgeted expenses may not deplete the Section's reserve balance to less than 25% of the preceding fiscal year's expenditures. Approval by the WSBA Executive Director is required for unbudgeted expenses which total 25% or more of the Section's annual expense budget or \$1,000, whichever is greater. Requests for such expenditures shall be submitted in writing and approved prior to incurring an obligation for them. The Section leadership shall complete an Approval of Section Expenses in Excess of Annual Budget Form and submit it to the Section's staff liaison. The Section's staff liaison will inform the Section of the approval (or denial) of their request after review by the WSBA Executive Director.

Expense Policies for WSBA Sections *(updated and approved by the Board of Governors on July 23, 2016)*

Sections shall comply with the expense policies of the WSBA (see Chapter 6, Expenses).

TO: WSBA Board of Governors
FROM: Terra Nevitt, Executive Director
DATE: September 15, 2022
RE: Request to co-sponsor proposed changes to General Rule 9(f)(2)

ACTION: Approve request to co-sponsor proposed changes to General Rule 9(f)(2) re Communication Process Prior to Publishing Proposed Rule Changes for Comment

The Washington State Bar Association is requested to co-sponsor proposed changes to General Rule 9(f)(2), which outlines the communication process for proposed rule changes, prior to being published.

Attached, please find the proposed redline and clean versions of the rule, as well as a letter sent to the Washington State Supreme Court on April 27, 2022 outline the concerns that the proposed rule change is intended to address.

Background

Over the last couple months, the DMCJA and the SCJA have engaged in extensive discussion about our state's rule making process and the need to ensure that all stakeholders have an opportunity to review and vet rules – and steps that might make the process more transparent. During this discussion, they also looked at how other states approach rule making. The product of this discussion is the attached draft proposed changes to GR 9.

DMCJA and SCJA's intention is to submit the proposed change formally during the GR 9(i) review and adoption schedule in early October and they would like the WSBA to be a co-sponsor. If WSBA is interested in co-sponsoring this proposed rule, DMCJA and SCJA have indicated a desire to include WSBA in further discussions of the GR 9 Coversheet that would accompany the rule.

Legal Risk Analysis

Court rules and the process for proposing them clearly falls within GR 12 and Keller. GR 12.2(b)(3) states that the Washington State Bar Association may provide periodic reviews and recommendations concerning court rules and procedures. Improving court rules could be argued to involve both regulation of the practice of law and improving the quality of legal services provided to the people of the state.

The biggest changes are making the process transparent and creating a rules committee that includes people outside of the Justices. These changes do not appear to create legal concerns for the WSBA.

The proposed GR 9(b)(3) states "one attorney member selected by the Washington State Bar Association." There may be questions about whether this must be an active WSBA member, whether a member of the BOG can serve in the position, and whether, given the rule language, this could be a lifetime appointment. Allowing a BOG member to serve could create an interesting dynamic if that member voted inconsistently on the same rule proposal (before the BOG and before the Rules Committee). Perhaps the BOG would adopt its own policy related to this outside appointment if the rule is adopted.

WSBA FISCAL ANALYSIS

The proposed changes could result in some additional staff time to support the proposed process and dissemination of information through WSBA channels. GR 9 and this proposed amendment impose duties on the WSBA for notice on the website and in Bar News. It hard to know how much more staff time would be needed but work would entail posting more information than we do now with a possible increase in frequency. This work would likely be able to be covered with existing capacity until we have more experience in action.

WASHINGTON STATE BAR ASSOCIATION

Court Rules and Procedures Committee

September 16, 2022

Hon. Brian M. Tollefson
President, Board of Governors
Washington State Bar Association
1325 Fourth Ave., Suite 600
Seattle, WA 98101
tollefsonBOG@outlook.com

RE: Proposed GR 9 Amendment

Dear President Tollefson:

I write on behalf of the Court Rules and Procedures Committee regarding the proposed GR 9 amendment drafted by the District & Municipal Court Judges Association and the Superior Court Judges Association. WSBA has been asked to join in presenting the proposal to the Washington State Supreme Court, and you had asked us to review the proposal in advance of the Board of Governors' September meeting.

The proposed amendment aims to increase public confidence and transparency in Supreme Court rulemaking through a Supreme Court Rules Committee to receive and vet rule proposals. The Supreme Court already has a committee which performs this function. However, the proposal would encode the committee within GR 9, and allow DMCJA, SCJA, the Washington State Court of Appeals, and WSBA to each appoint a voting member joining four Washington State Supreme Court Justices.

Our Committee supports the spirit of the proposal, and its stated goals of increased transparency and public confidence. And we welcome the prospect of involving WSBA, along with the lower courts, early in the rulemaking process for every proposed rule. To the extent the GR 9 proposal furthers these aims, we support it.

However, there was not enough time for us to fully evaluate the proposed amendment's language. Therefore, while we generally support the proposal, at this time we are not ready to recommend joining the DMCJA and SCJA as a co-sponsor.

Additionally, our Committee notes two issues which the Board of Governors may wish to consider in deciding whether to join the DMCJA and SCJA's proposal:

First, we see the primary value of the proposed GR 9 rules committee amendment as vetting proposals submitted to the Court. But the proposal also provides that the new committee may also amend submissions before publishing them for comment.

While the Supreme Court ultimately has authority to publish for comment any proposed rule it wishes, including amended versions of proposals submitted by outside parties, this would for the first time give a vote in the process to stakeholders outside of the Supreme Court—namely,



WSBA and the lower courts. Other stakeholder organizations may question why they were not also included as members in the new committee with broad power to amend rule proposals. And because the committee's constitution would itself be set by rule, any change to its membership would have to go through the GR 9 process.

Second, our Committee has some concern about what effect the proposed GR 9 amendment might have on its own role in vetting future rule proposals.

DMCJA and SCJA's proposed letter notes the recent trend of proponents submitting rule proposals directly to the Supreme Court, and how this has often resulted in shortcutting the traditional evaluation process. An important part of that traditional process has been consideration by the WSBA Court Rules & Procedures Committee, and the benefit of the institutional competence it offers in crafting rules.

While the GR 9 proposal under consideration would codify WSBA's role in evaluating new rule proposals, it does not explicitly involve our Committee. Our concern is that a newly-created process which does not include the Court Rules & Procedures Committee could diminish the Committee's relevance. To address this possibility, if the GR 9 proposal is adopted we suggest WSBA's appointee on the new committee be our Committee's chair, or the chair's delegate.

Again, our Committee supports the broad outlines of the GR 9 proposal under consideration. Thank you for giving our Committee the opportunity to review and offer comment. Please do not hesitate to contact me if there are any questions, or additional aspects of the proposal you wish our Committee to consider. Thank you.

Sincerely,

s/Isham M. Reavis

Isham M. Reavis
Chair, WSBA Court Rules & Procedures Committee
(206) 204-6744
isham@aokilaw.com

cc: Terra Nevitt, Executive Director, WSBA
Shelly Bynum, Executive Administrator, WSBA

GR 9 - SUPREME COURT RULEMAKING

(a) Statement of Purpose. The purpose of rules of court is to provide necessary governance of court procedure and practice and to promote justice by ensuring a fair and ~~expeditious~~ considered process. In promulgating rules of court, the Washington Supreme Court seeks to ensure that:

- (1) The adoption and amendment of rules proceed in an orderly and uniform manner;
- (2) All interested persons and groups receive notice and an opportunity to express views regarding proposed rules;
- (3) There is adequate notice of the adoption and effective date of new and revised rules;
- (4) Proposed rules are necessary statewide;
- (5) Minimal disruption in court practice occurs by limiting the frequency of rule changes; ~~and~~
- (6) Rules of court are clear and definite in application, and
- (7) Public confidence in rulemaking is increased through transparency.

(b) Definitions. As used in this rule, the following terms have these meanings:

- (1) “Suggested rule” means a request for a rule change ~~or~~, a new rule that has been submitted to the ~~Supreme Court~~ Rules Committee, and a suggested rule amended by the Rules Committee.
- (2) “Proposed rule” means a suggested rule that the ~~Supreme Court~~ Rules Committee has ~~ordered published for public comment~~ referred to the Supreme Court for further action.
- (3) “Rules Committee” means the Supreme Court Rules Committee. Voting members of the Supreme Court Rules Committee shall be comprised of four Washington State Supreme Court Justices appointed by the Chief Justice, one judicial representative selected by the Washington State Court of Appeals, one judicial representative selected by the Superior Court Judges Association, one judicial representative selected by the District and Municipal Court Judges Association, and one attorney member selected by the Washington State Bar Association. Members shall serve three-year terms at the discretion of the appointing organization and may be re-appointed to successive terms. The names and positions of Rules Committee members shall be posted on the Supreme Court website.
- (4) “Supreme Court” means the full Washington State Supreme Court.
- (5) A “technical change” is one that corrects a clerical mistake or an error arising from oversight or omission.

- (c) Request for Notification. Any person or group may file a request with the ~~Supreme Court Rules Committee~~ to receive notice of a suggested rule. The request may be limited to certain kinds of rule changes. The request shall state the name and address of the person or group to whom the suggested rule is to be sent. Once filed, the request shall remain in effect until withdrawn or unless notice sent by regular, first-class U.S. mail is returned for lack of a valid address.
- (d) Initiation of Rules Changes. Any person or group may submit to the ~~Supreme Court Rules Committee~~ a request to adopt, amend, or repeal a court rule. ~~The Supreme Court shall determine whether the request is clearly stated and in the form required by section (e) of this rule. If the Supreme Court determines that a request is unclear or does not comply with section (e), the Supreme Court may (1) accept the request notwithstanding its noncompliance, (2) ask the proponent to resubmit the request in the proper format, or (3) reject the request, with or without a written notice of the reason or reasons for such rejection.~~
- (e) Form for Submitting a Request to Change Rules.
- (1) The text of all suggested rules ~~should~~ shall be submitted on 8 1/2- by 11-inch line-numbered paper with consecutive page numbering and in an electronic form as may be specified by the Supreme Court. If the suggested rule affects an existing rule, deleted portions ~~should~~ shall be shown and stricken through; new portions ~~should~~ shall be underlined once.
 - (2) A suggested rule ~~should~~ shall be accompanied by a cover sheet and not more than 25 pages of supporting information, including letters, memoranda, minutes of meetings, research studies, or the like. The cover sheet ~~should~~ shall contain the following:
 - (A) Name of Proponent--the name of the person or group requesting the rule change;
 - (B) Spokesperson--a designation of the person who is knowledgeable about the proposed rule and who can provide additional information;
 - (C) Purpose--the reason or necessity for the suggested rule, including whether it creates or resolves any conflicts with statutes, case law, or other court rules;
 - (D) Hearing--whether the proponent believes a public hearing is needed and, if so, why;
 - (E) Expedited Consideration--whether the proponent believes that exceptional circumstances justify expedited consideration of the suggested rule, notwithstanding the schedule set forth in section (i).
- (f) Rules Committee Action on Consideration of Suggested Rules by Supreme Court.
- (1) Initial Considerations. ~~The Supreme Court Rules Committee shall initially determine whether the suggested rule is clearly stated and in the form required by section (e) of this rule. If the Rules Committee determines that a request is unclear or does not comply with section (e), the Rules Committee may accept the request notwithstanding its~~

noncompliance, ask the proponent to resubmit the request in the proper format, or reject the request for noncompliance with section (e).

- (2) The Rules Committee shall determine whether a suggested rule has merit and, whether the suggested rule involves a significant or merely technical change¹ whether the suggested rule should be amended, and A “technical change” is one which corrects a clerical mistake or an error arising from oversight or omission. ~~The Supreme Court shall also initially determine whether the suggested rule should be considered under the schedule provided for in section (i) or should receive expedited consideration for the reason or reasons to be set forth in the transmittal form provided for in section (f)(2). The Supreme Court Rules Committee may consult with other persons or groups in making this these initial determinations.~~
- (3) Rules Deemed Without Merit. If the Rules Committee determines a suggested rule is without merit, the Rules Committee shall reject the suggested rule and shall notify the proponent in writing of the reason(s) for rejection.
- (4) Suggested Rules Amended by the Rules Committee. If the Rules Committee amends a suggested rule, the suggested rule shall be returned to the proponent who shall have 30 days to comment on the proposed amendment. Following the 30-day comment period, the Rules Committee shall reject the amended suggested rule pursuant to section (f)(3) or send notice to interested parties pursuant to section (f)(5).
- (5) Notice to Interested Parties. After making its initial determination, and allowing time for comment on an amended suggested rule pursuant to section (f)(4), the Supreme Court Rules Committee shall forward each suggested rule and cover sheet, except those deemed “without merit”, along with a transmittal form setting forth such determinations, to the Washington State Bar Association, the Superior Court Judges Association, the District and Municipal Court Judges Association, and the Chief Presiding Judge of the Court of Appeals for their consideration. The transmittal shall include the cover sheet and any additional information provided by the proponent. The Supreme Court shall also forward the suggested rule and cover sheet to any person or group that has filed a notice pursuant to section (c), and to any other person or group the Supreme Court Rules Committee believes may be interested. The transmittal form shall specify a deadline by which the recipients may comment on the suggested rule. in advance of any determination under section (f)(3) of this rule. If the Supreme Court determines that the suggested rule should receive expedited consideration, it shall so indicate on the transmittal form. The form may contain a brief statement of the reason or reasons for such consideration.
- (6) Fiscal Note. The Rules Committee may request a fiscal note from the Administrative Office of the Courts (AOC) for costs incurred by courts regarding the suggested rule.
- (37) Action on Suggested Rules. Referral of Suggested Rules to Supreme Court. After the expiration of the deadline set forth in the transmittal form, the Rules Committee shall refer the suggested rule to the Supreme Court with a recommendation to either may reject

the suggested rule, adopt a merely technical change without public comment, or order the suggested rule published for public comment.

(8) Rules Committee proceedings shall be accessible to the public through remote viewing. The Rules Committee shall publish the dates and times of proceedings along with instructions to access the hearing for remote viewing on such Internet sites as the Rules Committee may determine, including those of the Supreme Court and the Washington State Bar Association.

(g) Publication for Comment.

(1) If the Supreme Court orders that a proposed rule be published for public comment, the A proposed rule shall be published ~~for public comment~~ in such media of mass communication as the Supreme Court deems appropriate, including, but not limited to, ~~the Washington Reports Advance Sheets and the Washington State Register. The proposed rule shall also be posted on~~ such Internet sites as the Supreme Court may determine, including those of the Supreme Court and the Washington State Bar Association. The purpose statement required by section (e)(2)(C) shall be published along with the proposed rule. Publication of a proposed rule shall be announced in the Washington State Bar News.

(2) Publication of a proposed rule in the Washington State Register shall not subject Supreme Court rule-making to the provisions of the Administrative Procedures Act.

(3) All comments on a proposed rule shall be submitted in writing to the Supreme Court by the deadline set forth in section (i).

(4) If a comment includes a related suggested rule, it ~~should~~ shall be presented in the format set forth in section (e).

(5) All comments received ~~will~~ shall be posted on the Supreme Court website and kept on file in the office of the Clerk of the Supreme Court for public inspection and copying.

(h) Final Action by the Supreme Court on Proposed Rules, Publication, and Effective Date.

(1) The Supreme Court may, in its discretion, hold a hearing on a proposed rule. If the Supreme Court orders a hearing, it shall set the time and place of the hearing and determine the manner in which the hearing will be conducted. The Supreme Court may also designate an individual or committee to conduct the hearing. All hearings set by the Supreme Court pursuant to section (h)(1) of this rule shall be accessible to the public. The Supreme Court shall publish, on its website and the Washington State Bar Association website, the dates and times of hearings along with instructions to access the hearing for remote and/or in-person viewing.

~~(+2) After consideration of the recommendations from the Rules Committee, review of comments received during publication of the proposed rule, and testimony and other evidence presented in any hearing ordered by the Supreme Court, the Supreme Court After considering a suggested rule, or after considering any comments or written or oral testimony received regarding a proposed rule, the Supreme Court may adopt, amend, or reject the proposed rule change, or take such other action as the Supreme Court deems appropriate, Prior to action by the Supreme Court, the court may, in its discretion, hold a hearing on a proposed rule at a time and in a manner defined by the court. If the Supreme Court orders a hearing, it shall set the time and place of the hearing and determine the manner in which the hearing will be conducted. The Supreme Court may also designate an individual or committee to conduct the hearing.~~

~~(2) Regarding action on a suggested rule:~~

~~(A) If the Supreme Court rejects the suggested rule, it may provide the proponent with the reason or reasons for such rejection.~~

~~(B) If the Supreme Court adopts the suggested rule without public comment, it shall publish the rule and may set forth the reason or reasons for such adoption.~~

~~(3) Regarding Actions on a Proposed Rules:~~

~~(A) If the Supreme Court rejects a proposed rule, it ~~may~~ shall publish its reason or reasons for such rejection.~~

~~(B) If the Supreme Court adopts a proposed rule, it ~~may~~ shall publish the rule along with the purpose statement from the cover sheet.~~

~~(C) If the Supreme Court amends and then adopts a proposed rule, it ~~should~~ shall publish the rule as amended along with a revised purpose statement.~~

(4) All adopted rules, or other final action by the Supreme Court for which this rule requires publication, shall be published in a July edition of the Washington Reports advance sheets and in the Washington State Register immediately after such action. The adopted rules or other Supreme Court final action shall ~~also~~ be posted on the Internet sites of the Supreme Court and the Washington State Bar Association. An announcement of such publication shall be made in the Washington State Bar News.

(5) All adopted rules shall become effective as provided in section (i) unless the Supreme Court determines that a different effective date is necessary.

(i) Schedule for Review and Adoption of Rules.

(1) In order to be published for comment in January, as provided in section (i)(2), a suggested rule must be received no later than October 15 of the preceding year.

- (2) Proposed rules shall be published for comment in January of each year.
- (3) Comments must be received by April 30 of the year in which the proposed rule is published.
- (4) Proposed rules published in January and adopted by the Supreme Court shall be republished in July and shall take effect the following September 1.
- (5) All suggested rules will be considered pursuant to the schedule set forth in this section, unless the Supreme Court determines that exceptional circumstances justify more immediate action. The Supreme Court shall publish a statement identifying the exceptional circumstances relied upon to deviate from the normal schedule for review and publication with the Order to Publish for a proposed rule.
- (6) The Supreme Court, in consultation with the Washington State Bar Association, the Superior Court Judges Association, the District and Municipal Court Judges Association, and the Chief Presiding Judge of the Court of Appeals, shall develop a schedule for the periodic review of particular court rules. The schedule shall be posted on such Internet sites as the Supreme Court may determine, including those of the Supreme Court and the Washington State Bar Association.

(j) Miscellaneous Provisions.

- (1) The Supreme Court may adopt, amend, or rescind a rule, or take any emergency action with respect to a rule without following the procedures set forth in this rule. Upon taking such action or upon adopting a rule outside of the schedule set forth in section (i) because of exceptional circumstances, the Supreme Court shall publish the rule in accordance with sections (g) or (h) as applicable and shall publish a statement with the adopted, amended, or rescinded rule identifying the exceptional circumstances and reasons supporting emergency action.
- (2) This rule shall take effect on September 1, 2023 and apply to all rules not yet adopted by the Supreme Court by that date.

[Adopted effective March 19, 1982; Amended effective September 1, 1984; September 1, 2000; Amended _____]

GR 9 - SUPREME COURT RULEMAKING

(a) Statement of Purpose. The purpose of rules of court is to provide necessary governance of court procedure and practice and to promote justice by ensuring a fair and considered process. In promulgating rules of court, the Washington Supreme Court seeks to ensure that:

- (1) The adoption and amendment of rules proceed in an orderly and uniform manner;
- (2) All interested persons and groups receive notice and an opportunity to express views regarding proposed rules;
- (3) There is adequate notice of the adoption and effective date of new and revised rules;
- (4) Proposed rules are necessary statewide;
- (5) Minimal disruption in court practice occurs by limiting the frequency of rule changes;
- (6) Rules of court are clear and definite in application, and
- (7) Public confidence in rulemaking is increased through transparency.

(b) Definitions. As used in this rule, the following terms have these meanings:

- (1) “Suggested rule” means a request for a rule change, a new rule that has been submitted to the Rules Committee, and a suggested rule amended by the Rules Committee.
- (2) “Proposed rule” means a suggested rule that the Rules Committee has referred to the Supreme Court for further action.
- (3) “Rules Committee” means the Supreme Court Rules Committee. Voting members of the Supreme Court Rules Committee shall be comprised of four Washington State Supreme Court Justices appointed by the Chief Justice, one judicial representative selected by the Washington State Court of Appeals, one judicial representative selected by the Superior Court Judges Association, one judicial representative selected by the District and Municipal Court Judges Association, and one attorney member selected by the Washington State Bar Association. Members shall serve three-year terms at the discretion of the appointing organization and may be re-appointed to successive terms. The names and positions of Rules Committee members shall be posted on the Supreme Court website.
- (4) “Supreme Court” means the full Washington State Supreme Court.
- (5) A “technical change” is one that corrects a clerical mistake or an error arising from oversight or omission.

(c) Request for Notification. Any person or group may file a request with the Rules Committee to receive notice of a suggested rule. The request may be limited to certain kinds of rule changes. The request shall state the name and address of the person or group to whom the suggested rule is to be sent. Once filed, the request shall remain in effect until withdrawn or unless notice sent by regular, first-class U.S. mail is returned for lack of a valid address.

(d) Initiation of Rules Changes. Any person or group may submit to the Rules Committee a request to adopt, amend, or repeal a court rule.

(e) Form for Submitting a Request to Change Rules.

- (1) The text of all suggested rules shall be submitted on 8 1/2- by 11-inch line-numbered paper with consecutive page numbering and in an electronic form as may be specified by the Supreme Court. If the suggested rule affects an existing rule, deleted portions shall be shown and stricken through; new portions shall be underlined once.
- (2) A suggested rule shall be accompanied by a cover sheet and not more than 25 pages of supporting information, including letters, memoranda, minutes of meetings, research studies, or the like. The cover sheet shall contain the following:
 - (A) Name of Proponent--the name of the person or group requesting the rule change;
 - (B) Spokesperson--a designation of the person who is knowledgeable about the proposed rule and who can provide additional information;
 - (C) Purpose--the reason or necessity for the suggested rule, including whether it creates or resolves any conflicts with statutes, case law, or other court rules;
 - (D) Hearing--whether the proponent believes a public hearing is needed and, if so, why;
 - (E) Expedited Consideration--whether the proponent believes that exceptional circumstances justify expedited consideration of the suggested rule, notwithstanding the schedule set forth in section (i).

(f) Rules Committee Action on Suggested Rules.

- (1) Initial Considerations. The Rules Committee shall initially determine whether the suggested rule is clearly stated and in the form required by section (e) of this rule. If the Rules Committee determines that a request is unclear or does not comply with section (e), the Rules Committee may accept the request notwithstanding its noncompliance, ask the proponent to resubmit the request in the proper format, or reject the request for noncompliance with section (e).
- (2) The Rules Committee shall determine whether a suggested rule has merit, whether the suggested rule involves a significant or merely technical change, whether the suggested rule should be amended, and whether the suggested rule should be considered under the schedule provided for in section (i) or should receive expedited consideration. The Rules Committee may consult with other persons or groups in making these initial determinations.
- (3) Rules Deemed Without Merit. If the Rules Committee determines a suggested rule is without merit, the Rules Committee shall reject the suggested rule and shall notify the proponent in writing of the reason(s) for rejection.

- (4) Suggested Rules Amended by the Rules Committee. If the Rules Committee amends a suggested rule, the suggested rule shall be returned to the proponent who shall have 30 days to comment on the proposed amendment. Following the 30-day comment period, the Rules Committee shall reject the amended suggested rule pursuant to section (f)(3) or send notice to interested parties pursuant to section (f)(5).
- (5) Notice to Interested Parties. After making its initial determination, and allowing time for comment on an amended suggested rule pursuant to section (f)(4), the Rules Committee shall forward each suggested rule and cover sheet, except those deemed “without merit”, along with a transmittal form setting forth such determinations, to any person or group that has filed a notice pursuant to section (c), and to any other person or group the Rules Committee believes may be interested. The transmittal form shall specify a deadline by which the recipients may comment on the suggested rule.
- (6) Fiscal Note. The Rules Committee may request a fiscal note from the Administrative Office of the Courts (AOC) for costs incurred by courts regarding the suggested rule.
- (7) Referral of Suggested Rules to Supreme Court. After the expiration of the deadline set forth in the transmittal form, the Rules Committee shall refer the suggested rule to the Supreme Court with a recommendation to either reject the suggested rule, adopt a merely technical change without public comment, or order the suggested rule published for public comment.
- (8) Public Access to Rules Committee Proceedings. Rules Committee proceedings shall be accessible to the public through remote viewing. The Rules Committee shall publish the dates and times of proceedings along with instructions to access the hearing for remote viewing on such Internet sites as the Rules Committee may determine, including those of the Supreme Court and the Washington State Bar Association.

(g) Publication for Comment.

- (1) If the Supreme Court orders that a proposed rule be published for public comment, the proposed rule shall be published in such media of mass communication as the Supreme Court deems appropriate, including, but not limited to such Internet sites as the Supreme Court may determine, including those of the Supreme Court and the Washington State Bar Association. The purpose statement required by section (e)(2) shall be published along with the proposed rule. Publication of a proposed rule shall be announced in the Washington State Bar News.
- (2) Publication of a proposed rule in the Washington State Register shall not subject Supreme Court rulemaking to the provisions of the Administrative Procedures Act.
- (3) All comments on a proposed rule shall be submitted in writing to the Supreme Court by the deadline set forth in section (i).
- (4) If a comment includes a related suggested rule, it shall be presented in the format set forth in section (e).

- (5) All comments received shall be posted on the Supreme Court website and kept on file in the office of the Clerk of the Supreme Court for public inspection and copying.

(h) Final Action by the Supreme Court on Proposed Rules, Publication, and Effective Date.

- (1) The Supreme Court may, in its discretion, hold a hearing on a proposed rule. If the Supreme Court orders a hearing, it shall set the time and place of the hearing and determine the manner in which the hearing will be conducted. The Supreme Court may also designate an individual or committee to conduct the hearing. All hearings set by the Supreme Court pursuant to section (h)(1) of this rule shall be accessible to the public. The Supreme Court shall publish, on its website and the Washington State Bar Association website, the dates and times of hearings along with instructions to access the hearing for remote and/or in-person viewing.
- (2) After consideration of the recommendations from the Rules Committee, review of comments received during publication of the proposed rule, and testimony and other evidence presented in any hearing ordered by the Supreme Court, the Supreme Court may adopt, amend, or reject the proposed rule, or take such other action as the Supreme Court deems appropriate,
- (3) Actions on Proposed Rules:
 - (A) If the Supreme Court rejects a proposed rule, it shall publish its reason or reasons for such rejection.
 - (B) If the Supreme Court adopts a proposed rule, it shall publish the rule along with the purpose statement from the cover sheet.
 - (C) If the Supreme Court amends and then adopts a proposed rule, it shall publish the rule as amended along with a revised purpose statement.
- (4) All adopted rules, or other final action by the Supreme Court for which this rule requires publication, shall be published in a July edition of the Washington Reports advance sheets and in the Washington State Register immediately after such action. The adopted rules or other Supreme Court final action shall be posted on the Internet sites of the Supreme Court and the Washington State Bar Association. An announcement of such publication shall be made in the Washington State Bar News.
- (5) All adopted rules shall become effective as provided in section (i) unless the Supreme Court determines that a different effective date is necessary.

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- (6) The Supreme Court, in consultation with the Washington State Bar Association, the Superior Court Judges Association, the District and Municipal Court Judges Association, and the Chief Presiding Judge of the Court of Appeals, shall develop a schedule for the periodic review of particular court rules. The schedule shall be posted on such Internet sites as the Supreme Court may determine, including those of the Supreme Court and the Washington State Bar Association.

(j) Miscellaneous Provisions.

- (1) The Supreme Court may adopt, amend, or rescind a rule, or take any emergency action with respect to a rule without following the procedures set forth in this rule. Upon taking such action or upon adopting a rule outside of the schedule set forth in section (i) because of exceptional circumstances, the Supreme Court shall publish the rule in accordance with sections (g) or (h) as applicable and shall publish a statement with the adopted, amended, or rescinded rule identifying the exceptional circumstances and reasons supporting emergency action.
- (2) This rule shall take effect on September 1, 2023. and apply to all rules not yet adopted by the Supreme Court by that date.

[Adopted effective March 19, 1982; Amended effective September 1, 1984; September 1, 2000; Amended _____]



April 27, 2022

Honorable Steve González
Honorable Charles W. Johnson
Honorable Mary I. Yu
Supreme Court Rules Committee
C/O Clerk of the Supreme Court
Temple of Justice
PO Box 40929
Olympia, WA 98504-0929

VIA EMAIL

RE: GR 9(f)(2) Vetting Process for Rules Changes Prior to Publishing for Comment

Dear Chief Justice González, Justice Yu, Justice Johnson, and Rules Committee Members:

Over the past several years, the adoption of rules proposals has become increasingly complex. While there are a wide variety of factors that have contributed to that complexity, we believe there are three main factors at play. The first is the COVID-19 pandemic and the collateral impacts on our courts. The second factor is the increasingly wide range of groups and individuals suggesting rules amendments and new rules. The final factor impacting complexity is the lack of participation of the Superior Court Judges' Association (SCJA), District and Municipal Court Judges' Association (DMCJA), and Washington State Bar Association (WSBA) in the preliminary vetting process for rules changes prior to publishing for comment as required by GR 9(f)(2).

With regard to the pandemic, trial courts and court users have responded admirably adopting remote hearings and health and safety protocols during this pandemic, and it is understandable that a number of proposals have been presented. With regard to the variety of entities proposing rules changes, the diversity of suggestions and opinions is a valuable resource for trial courts.

The concern we bring to your attention is the absence of involvement of SCJA, DMCJA, and WSBA, in the preliminary vetting process of proposed rules required by GR (9)(f)(2). In bypassing the requirements of the rule, the Supreme Court Rules Committee is missing the opportunity to refine rules proposals and correct substantive challenges before proposed rules are sent for comment. This is particularly important where rules submissions are coming from individuals and groups without substantial experience in drafting rules. Our organizations all have rules committees with extensive drafting expertise.¹

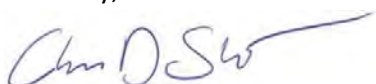
¹ In addition to WSBA's Court Rules Committee, other WSBA entities are allowed to comment on a proposed rule change under certain circumstances if that WSBA entity's position has been approved through WSBA's Comment Policy.

April 27, 2022

Several recent rules proposals illustrate the need to continue involving our associations in the preliminary vetting. CrR /CrRLJ 3.4 have proven to be very challenging for trial courts to implement and the result has been a patchwork of approaches. Had we been involved earlier, prior to the rule going out for comment, many of the challenges in implementation could have been addressed. The proposed amendments to CrR /CrRLJ 7.8 and the proposed amendments to GR 11.3 are two additional examples of the need to involve our associations in vetting prior to comment. Rule 7.8 poses unique challenges to Courts of Limited Jurisdiction and the proposed amendments to GR 11.3 pose significant concerns for trial courts. These rule concerns affect the public's view of the justice system and impact the experience of court users.

We request the opportunity to meet with you and members of the Supreme Court Rules Committee to further discuss facilitating GR 9(f)(2) related communication.

Sincerely,



Judge Charles D. Short
DMCJA President



Judge Rachelle E. Anderson
SCJA President

Honorable Brian Tollefson
WSBA President

Cc: Presiding Chief Judge George B. Fearing, Court of Appeals

WASHINGTON STATE BAR ASSOCIATION

WSBA ENTITY ANNUAL REPORT

FY 2021: October 1, 2020 – September 30, 2021

The mission of the Washington State Bar Association is to serve the public and the members of the Bar, to ensure integrity of the legal profession, and to champion justice.

Instructions: In accordance with the WSBA Bylaws, Committees, Other Bar Entities (excluding Regulatory Boardsⁱ), Councils, and Sections must submit an annual report to the Executive Director. The information below should reflect the activities and outcomes from the fiscal year October 1, 2020 – September 30, 2021. Information in the annual report will be provided to the Executive Director and Board of Governors, and may be published for other purposes, such as *Bar News*, volunteer recruitment messaging, and other WSBA activity-based reporting.

It is recommended that completion of the annual report be a collaborative effort with members of your entity, the BOG liaison, and staff liaison.

Submission Deadline is Friday, October 15: please submit by emailing barleaders@wsba.org or requesting that your staff liaison submit the report internally.

Name of Entity:	CLE Committee
Chair or Co-Chairs:	Sharon Glenn
Staff Liaison: <i>(include name, job title, and department if known)</i>	Shanthi Raghu, Education Programs Manager, Advancement Department
Board of Governors Liaison:	Lauren Boyd
Purpose of Entity: <i>May be stated in Bylaws, Charter, Court Rule, etc.</i>	
The purpose of the Continuing Legal Education (CLE) Committee is to support the Washington State Bar Association’s (WSBA) development of continuing legal educational programming that ensures competent and qualified legal professionals, supports member transitions throughout the life of their practice, and helps to prepare members for the future with skills required for the 21st century practice of law.	
Strategy to Fulfill Purpose:	
The CLE Committee provides input to the WSBA CLE Team in fulfilling its mission of serving the ongoing education needs of Washington legal professionals and works actively with the WSBA CLE Team to brainstorm ideas for new CLE content and assist in identifying qualified speakers and chairs.	
How does the entity’s purpose help further the mission of the WSBA “to serve the public and the members of the Bar, to ensure integrity of the legal profession, and to champion justice”?	

The CLE Committee continues to address the mission of the WSBA by supporting the development timely and relevant legal education. This year, there was a specific effort to support members during the pandemic. Content developed by WSBA CLE promotes both professional and personal development - in turn aiding in ensuring the integrity of the legal profession.

2020-2021 Entity Accomplishments:

In addition to its standard activities, this year the CLE Committee members each championed a topic that the WSBA CLE Team had identified as a potential new CLE program. These efforts resulted in several successful new CLEs during 2020-21, including CLEs focused on contract law, disability law, and DUI.

Looking Ahead: 2021-2022 Top Goals & Priorities:

1	Identify new areas of programming for WSBA presents CLE programs
2	Identify new speakers and chairs
3	
4	
5	Click or tap here to enter text.

Please report how this entity is addressing diversity, equity, and inclusion:

How have you elicited input from a variety of perspectives in your decision-making? What have you done to promote a culture of inclusion within the board or committee? What has your committee/board done to promote equitable conditions for members from historically underrepresented backgrounds to enter, stay, thrive, and eventually lead the profession? Other?

The CLE Committee itself is comprised of several members from diverse backgrounds. The CLE Committee encourages WSBA CLE staff to engage with a wide range of stakeholders in program development. Additionally, the CLE Committee is committed to helping the WSBA CLE staff provide programming to Bar members on the topic of equity, inclusion and the mitigation of bias, including offering free CLEs on this topic.

Please describe the relationship with WSBA staff and the Board of Governors.

For example:

- *Quality of WSBA staff support/services*
- *Involvement with Board of Governors, including assigned BOG liaison*
- *Ideas you have on ways WSBA can continue to strengthen/support your entity.*

The WSBA CLE Staff is often invited to attend CLE Committee meetings, and our BOG liaison is also a regular attendee. We appreciate the input and support of both the WSBA Staff and our BOG liaison.

SECTIONS ONLY: Please quantify your section's 2020-2021 member benefits:

For example:

	Newsletters/publications produced
	Mini-CLEs produced

<ul style="list-style-type: none"> • \$3000 Scholarships, donations, grants awarded; • 4 mini-CLEs produced 		Co-sponsored half-day, full-day and/or multi-day CLE seminars with WSBA
		Co-sponsored half-day, full-day and/or multi-day CLE seminars with <i>non</i> -WSBA entity
		Receptions/forums hosted or co-hosted
		Recognitions/Awards given
		New Lawyer Outreach events/benefits
		Other (please describe):

**Entity Detail & Demographics Report:
To Be Completed by WSBA Staff**

Size of Entity:	18
Membership Size: (for Sections Only) <i>(As of September 30, 2021)</i>	
Number of Applicants for FY22 <i>(October 1, 2021 – September 30, 2022)</i>	3
How many current volunteer position vacancies for this entity?	9
FY21 Revenue (\$): For Sections Only: <i>As of September 30, 2021</i>	
FY21 Budgeted Direct Expenses:	\$100
FY21 Budgeted Indirect Expenses:	\$12,500

FY21 Demographics:

The WSBA promotes diversity, equality, and cultural competence in the courts, legal profession, and the bar, and is committed to ensuring that its committees, boards, and panels reflect the diversity of its membership.

Aside from the factors marked (*), demographic information was provided voluntarily and individuals had the option to not respond to any or all of the factors below.

Disability	No	86%
	Chose Not to Respond	14%
District*	10	14%

	2	14%
	7N	29%
	7S	29%
	9	14%
Ethnicity	American Indian, Native American, Alaskan Native	14%
	White or European Descent	71%
	Multi Racial or Bi Racial	14%
	Chose Not to Respond	0%
Gender	Female	14%
	Male	71%
	Chose Not to Respond	14%
Sexual Orientation	Gay, Lesbian, Bisexual, Pansexual, or Queer	43%
	Heterosexual	14%
	No	14%
	Chose Not to Respond	29%

The Yes/No response for the Sexual Orientation category is data from a previous demographic question ‘ Do you openly identify as a sexual minority to include the following: gay, lesbian, bisexual, transgender?’ This question was on the volunteer application when some of the current members submitted their application and therefore, is still included.

¹ Supreme Court Boards (Access to Justice Board, Disciplinary Board, LLLT Board, Limited Practice Board, MCLE Board and Practice of Law Board) provide annual reports to WSBA to support its responsibility under [GR 12.3](#), to provide oversight and monitor compliance with applicable rules and orders. Boards have the option to use the WSBA template or to share their annual reports to the Washington Supreme Court.

WASHINGTON STATE BAR ASSOCIATION

WSBA Entity Three-Year Rotation Meeting with the Board of Governors – Discussion Guide –

WSBA Mission

The mission of the Washington State Bar Association is to serve the public and the members of the Bar, to ensure the integrity of the legal profession, and to champion justice.

Introduction

It is important that the WSBA Board of Governors [the Board] have a structure to facilitate an ongoing, constructive and evaluative dialogue with each entity whether created to further the mission or by Court Order. Per the WSBA Bylaws, all committees, regulatory boards, and other bar groups are required to submit an annual report. This report will be provided to the full Board. Each report will be reviewed by the WSBA Board of Governors Executive Committee on an annual basis. This process is intended to be the evaluative discussion and is detailed in a separate Review Guide document.

As part of the ongoing and constructive discussions, the WSBA Board of Governors seeks to meet with each entity on a three-year rotating basis. This rotation does not preclude an entity from meeting with the full Board when desired or needed as the case may be. The three-year rotation process is described herein.

Process for WSBA Entities: Three-Year Rotation of Meeting with Board of Governors

The Board of Governors would like to meet with each entity on a three-year rotating basis (with some exceptions). The overall goal of the discussions is to strengthen collaboration and communication, and discuss how the Board can continue to offer support and/or guidance.

For meeting with the Board of Governors, the discussion should focus on three areas, 1) overview of what the entity does and how it furthers the WSBA mission, 2) what the entity is currently working on and 3) how can the Board and/or WSBA provide support or assistance, if needed. The entity should anticipate questions from the full Board of Governors.

Some specific questions to anticipate are as follows:

1. Please share with us [the Board] an overview of the purpose of your entity and please reference any documents that support its purpose, authority, composition, etc. (e.g. Court rule, charter, Bylaw).
2. If applicable, in what ways does your entity further the mission of the WSBA?

3. What projects and/or initiatives are you currently working on?
4. What are the long-term goals, if any, for this body of work?
5. How can the Board assist in your efforts and/or in addressing any barriers or areas of concern?

Process for Entities Created by Court Rule or Court Order

The same process as described above applies, with the difference that the discussion should focus on three areas, 1) overview of what the entity does and its relationship to the Court, 2) what the entity is currently working on and, 3) how can the Board and/or WSBA provide support or assistance, if needed. The entity should anticipate questions from members of the Board of Governors.

Entity Representatives

The current chair, staff liaison and BOG Liaison are invited to attend the meeting with the full Board. If the current chair is unable to attend, an alternative representative should be designated. The chair may include additional members from the entity to be present and participate in the discussion. Still have the annual report review, with different.

Materials

The most recent annual report for the entity will be provided as materials for the discussion unless otherwise requested. Additional materials are welcome, but not required and should be kept to a reasonable minimum.

The Volunteer Engagement Advisor and staff liaison will communicate any material deadlines to ensure that materials are included in the Board meeting materials.

This procedure applies to the following entities:

- Adjunct Disciplinary Counsel Panel
- Board of Bar Examiners
- Character and Fitness Board
- Client Protection Board
- Committee on Professional Ethics
- Continuing Legal Education Committee
- Council on Public Defense
- Court Rules and Procedures Committee
- Disciplinary Advisory Round Table
- Disciplinary Board
- Diversity Committee
- Editorial Advisory Committee
- Equity and Disparity Work Group
- Judicial Recommendation Committee
- Law Clerk Board
- Legislative Review Committee
- Limited Licensed Legal Technician Board
- Long Range Strategic Planning Council
- Mandatory Continuing Legal Education Board
- Small Town and Rural Committee
- Pro Bono and Public Service Committee
- Washington Young Lawyers Committee

FY22

- Future Committees, Boards or Other Bar Entities as defined by the WSBA Bylaws

Exceptions:

The following entities meet with the full Board of Governors on an annual basis:

- Access to Justice Board (preference)
- Washington State Bar Foundation (required)
- Practice of Law Board (preference)

The following entities are not required to meet with the full Board of Governors and therefore the above procedure does not apply:

- Disciplinary Selection Panel
- Hearing Officer Panel (the Chief Hearing Officer provides an annual report to the Board of Governors)
- Section Executive Committees (required to submit an annual report but not currently included in these procedures at this time)

Contact:

Administration of this process resides within the Office of the Executive Director. For questions or for more information, please contact Paris Eriksen, Volunteer Engagement Advisor, parise@wsba.org.

TO: WSBA Board of Governors
CC: Terra Nevitt, Executive Director
FROM: Nancy Ivarinen, Chair of Limited License Legal Technician Board
Jonathan Burke, WSBA Staff Liaison to LLLT Board
Bobby Henry, Associate Director for Regulatory Services
DATE: September 6, 2022
RE: LLLT Board Suggested Amendments to APR 28 Limited Practice Rule for Limited License Legal Technicians

DISCUSSION/ACTION: The Limited License Legal Technician Board (LLLT Board) presents suggested amendments to Rule 28 of the Admission and Practice Rules (APR) and the Appendix of Regulations to APR 28 for the Board of Governors' information. The LLLT Board also asks the Board of Governors to support these suggested amendments.

The LLLT Board intends to submit suggested amendments to APR 28 to the Washington Supreme Court. Although not required prior to submission, the LLLT Board seeks support from the Board of Governors for the attached suggested amendments.

PURPOSE:

The primary purposes of the suggested amendments to APR 28 and the APR 28 Appendix of Regulations (Reg.) relating to Limited License Legal Technicians (LLLTs) are the following:

1. To reduce the LLLT Board from 15 to 11 members and to update the LLLT Board duties in APR 28(C) to reflect the evolution of the LLLT Program following the Washington Supreme Court's (Court's) order to sunset the LLLT Program.
2. To delete responsibilities of the LLLT Board set forth in APR 28(C)(2) that have become moot because of the Court's order to sunset the LLLT Program.
3. To amend and update APR 28(C)(2) to more fully and accurately describe the duties and powers of the LLLT Board following the sunset of the LLLT Program, including duties to process and administer LLLT disciplinary grievances, approve standard forms for LLLTs, propose rules for governing LLLTs, and establish committees to carry out the LLLT Board's proposed new powers to provide continuing legal education to LLLTs, assess changes in the law that effect LLLT's scope of practice, and collaborate with other boards and entities regarding the delivery of law related services.
4. To add a provision to APR 28 that accurately acknowledges and describes the LLLT Board's power and authority to adopt regulations provided that the proposed regulations are approved by the Court. APR 28(P).
5. To update the provisions in the APR 28 Regulations by deleting references to "nonparental and third party custody" because the Washington state legislature repealed the underlying statutes for "nonparental and third party custody." APR 28 Reg. 2B(1)(i); APR 28 Reg. 2B(2)(h)vi; APR 28 Reg. 2B(3)(b) ix.

6. To replace the references in APR 28 Reg 2B to “nonparental and third party custody” with references to the guardianship proceedings for the statute that replaced the repealed statutes for “nonparental and third party custody.” APR 28 Reg. 2B(1)(i); APR Reg. 2B(2)(h) ix.
7. To clarify and describe the scope of practice for LLLTs in connection with pretrial calendar proceedings. APR 28 Reg 2B 2(h) viii.
8. To clarify that LLLTs may accompany their clients in settlement conference proceedings. APR 28 Reg. 2B.2(h)x.

BACKGROUND AND EXPLANATION OF PROPOSED AMENDMENTS:

A. COURT ENTERS ORDER SUNSETTING LLLT PROGRAM

On July 1, 2021, the Washington Supreme Court (Court) entered an order sunsetting the LLLT Program, effective July 31, 2022. After July 31, 2022, the Washington State Bar Association (WSBA) will no longer be admitting LLLTs.¹ Consequently, the LLLT Board will no longer be involved in preparing and grading LLLT examinations or reviewing additional areas of practice for LLLTs. There are currently 72 active LLLTs in Washington.

B. PROPOSALS TO CHANGE LLLT BOARD’S SIZE AND COMPOSITION AND UPDATE THE LIST OF THE LLLT BOARD’S DUTIES

APR 28C(1) provides for the establishment of a LLLT Board that is comprised of 15 members. APR 28C(1) requires the composition of the Board to include a legal educator and one *ex officio* member who is a representative of the Washington State Board of Community and Technical Colleges. The Court’s order sunsetting the LLLT Program eliminates the need for educators on the LLLT Board because it will no longer be involved in education and testing programs for LLLTs. The final LLLT examination was given on May 3-4, 2022.

APR 28C(2) lists six responsibilities of the LLLT Board. The Court’s order to sunset the LLLT Program has effectively made moot the following four of the six listed responsibilities in APR 28C(2):

- “Recommending practice areas for LLLTs subject to approval by the Supreme Court.” APR 28 C(2)(a);
- “Working with the Bar . . . to select, create, maintain, and grade the examinations required under this rule. . . .” APR 28 C(2)(b);
- “Approving education and experience requirements for licensure in approved practice areas.” APR 28 C(2)(c); and

¹ On June 9, 2022, the Court entered an order extending by one year the deadline for LLLT applicants who passed the LLLT examination to complete the pre-admission requirements in APR 5(e)(2). The Court’s order did not authorize WSBA or the LLLT Board to administer additional LLLT examinations.

- “Establishing and maintaining criteria for approval of educational programs that offer LLLT core curriculum.” APR 28 C(2)(e).

The Board proposed amendments to APR 28 seek to remove these responsibilities from APR 28C(2) because they have been effectively eliminated by the Court’s order to sunset the LLLT Program. The proposed amendments also delete the provision making WSBA responsible for notices and filings “including applications for admission as a LLLT” in APR 28C(4) because this responsibility is also now moot for the same reason.

The Court’s order sunsetting the LLLT Program has effectively changed the focus of the LLLT Board from developing the LLLT Program and licensing LLLTs to improving and sustaining the current LLLT Program. In its proposed amendments, the LLLT Board refers to the board’s “duties and powers” instead of “responsibilities”. APR 28C(2). This proposed change makes APR 28 consistent with the language used in the rules governing the Limited Practice Board. See APR 12(b)(2). The LLLT Board’s duties and powers have evolved to focus on the following topics: administering LLLT disciplinary complaints; developing forms for LLLT practice; improving the LLLT program by proposing amendments to APR 28, the LLLT Rules of Professional Conduct (LLLT RPC), and procedural rules for LLLT disciplinary matters for LLLTs (ELLLTC); and overseeing committees to carry out LLLT Board’s duties to the LLLT Program. The LLLT Board’s proposed amendments seek to clarify and more accurately reflect its evolved role to sustain and improve the LLLT Program by adding the following duties and powers in APR 28C(2):

- Administering grievances and discipline. APR 28C(2)(a);
- Approving standard LLLT forms. APR 28C(2)(b);
- Proposing amendments to LLLT rules. APR 28C(2)(c);
- Overseeing the provision of continuing legal education to LLLTs. APR 28C(2)(d)i;
- Overseeing the assessment of changes in the law that affect the practice of LLLTs. APR 28C(2)(d)ii; and
- Overseeing collaborations with other boards and entities regarding the delivery of law related services. APR 28C(2)(d)iii.

The evolution of LLLT Board duties makes the current size and composition of the Board in APR 28C(2) superfluous for several reasons. First, the order sunsetting the LLLT Program effectively eliminated all educational programs needed for qualifying for a LLLT license and, therefore, the need for educators on the LLLT Board. Second, the evolution of the LLLT Board duties from the development of the LLLT program, qualifying legal education, and new practice areas to sustaining the program makes the need for 15 Board members unnecessary.

The LLLT Board believes that the description of its duties and powers in the proposed amendments is sufficient enough that there is no need for the catchall provision in APR 28C(2)(f) for “[s]uch other activities and functions as are expressly provided for in this rule” and recommends deleting this provision.

A 15 member LLLT Board is not practical given the small pool of LLLTs in the state (currently 72 active LLLTs) and the scaled back duties of the board. Other similarly situated Supreme Court Boards have less members. For example, the Limited Practice Board, which has over 800 active members, is comprised of nine members. APR 12(b)(1).

For these reasons, the LLLT Board proposes an amendment to APR 28C(1) reducing the LLLT Board from 15 to 11 members and that the board be composed of at least four active lawyers, three active LLLTs, and two members who are not licensed to practice law. The LLLT Board's specific proposed amendments in APR 28C(1) regarding the size and composition of the board are contained in the attached redlined version of the proposed amendments.

C. NEW PROVISIONS FOR REGULATION

The LLLT Board seeks to add a provision to APR 28 clarifying its power to adopt regulations pertinent to its duties and powers subject to the approval of the Court. This provision is essentially the same provision governing regulations adopted by the Practice of Law Board in GR 25(h). This proposed amendment underscores that, as a Supreme Court Board, the LLLT Board regulations are subject to approval by the Court. The rule acknowledges that although the LLLT regulations are not governed by the WSBA Board of Governors, proposed regulations "should" be provided to the Board of Governors for informational purposes. See proposed APR 28P. To avoid possible confusion or duplication, the LLLT Board proposes to strike the provision on "rules and regulation" in APR 28C(3).

D. AMENDMENTS RELATED TO LLLT SCOPE OF PRACTICE IN MINOR GUARDIANSHIPS F/K/A NONPARENTAL CUSTODY ACTIONS

The Appendix to APR 28 is comprised of regulations covering the scope of approved practice areas for LLLTs. Domestic Relations is the only approved LLLT practice area. APR 28 Reg. 2B authorizes LLLTs to provide services to clients related to "nonparental and third party custody," but this provision is confusing because later provisions provide that LLLTs are prohibited from providing legal services in "nonparental custody actions beyond the adequate cause hearing unless the terms are agreed to by the parties or one party defaults." APR 28 Reg. 2B3(b)ix.

Effective January 1, 2021, the Washington state legislature repealed the nonparental custody statute for minors (RCW 26.10 *et seq.*) and replaced it with RCW 11.130.185 *et seq.* (Article 2), the Uniform Guardianship Act – minors. Guardianships for incapacitated adult children arising out of a familial relationship are now covered by RCW 11.130 Article 3.

To accommodate the change in law, the LLLT Board proposes to strike the provisions in APR 28 Reg. 2B referencing "nonparental and third party custody" and replace these terms with provisions authorizing LLLTs to provide services under the new statute, RCW 11.130 *et seq.*, for "agreed or default minor guardianships or guardianships arising out of a familial relationship." See proposed APR 28 Reg. 2B1(i). This proposed provision ameliorates confusion that previously existed regarding the extent of the services that LLLTs are authorized to provide to clients.

The proposed updates to the provisions in APR 28 Reg 2B include the following:

- Replace “nonparental and third party custody” in APR 28 Reg. 2B1(i) with “agreed or default minor guardianships arising out of a familial relationship.”
- Delete “nonparental custody” in APR 28 Reg. 2B2(h)vi.
- Add “agreed or default minor guardianships or guardianships arising out of a familial relationship” in APR 28 Reg. 2B2(h)ix.
- Delete “nonparental custody actions” in APR 28 Reg. 2B3bix.

E. AMENDMENTS RELATED TO ATTENDING PRETRIAL CALENDAR PROCEEDINGS

The LLLT Board has found that LLLTs were confused by the provision authorizing LLLTs to assist clients in “trial setting calendar proceedings.” See APR 28 Reg. 2B2(h)viii. To ameliorate confusion, the LLLT Board proposes to clarify this provision by striking “trial setting” and replacing it with more specificity regarding the nature of proceedings in which LLLTs may assist clients: “pretrial calendar proceedings such as trial setting, pretrial conferences, and status conferences.” See proposed APR 28 Reg. 2B2(h)viii.

The LLLT Board proposes to clarify LLLTs’ authority to attend settlement conference proceedings with clients in APR 28 Reg. 2B by adding more specificity that LLLTs are authorized to attend “settlement conference proceedings” with their clients. See proposed APR 28 Reg. 2B2(h) x.

Attachments

Suggested Amendments to APR 28 (redlined)

PLEASE NOTE THAT THE LLLT BOARD’S PROPOSED AMENDMENTS ORIGINALLY INLCUDED A PROPOSAL FOR IMMUNITY. AFTER REVIEWING AND CONSIDERING THE WSBA RISK ANALYSIS BELOW THE LLLT BOARD DECIDED TO REMOVE ITS PROPOSED AMENDMENT TO ADD AN IMMUNITY PROVISION TO APR 28. CONSEQUENTLY, THIS MEMO AND THE PROPOSED AMENDMENTS NO LONGER CONTAIN A PROPOSAL FOR AN IMMUNITY PROVISION.

WSBA RISK ANALYSIS

Most of the provisions in the proposed changes to not appear to create legal risk. The proposed immunity rule contains language that could be interpreted to be inconsistent with the existing immunity rule in GR 12.5.

GR 12.5 states:

All boards, committees, or other entities, and their members and personnel, and all personnel and employees of the Washington State Bar Association, acting on behalf of the Supreme Court under the Admission and Practice Rules,

the Rules for Enforcement of Lawyer Conduct, or the disciplinary rules for limited practice officers and limited license legal technicians, shall enjoy quasi-judicial immunity if the Supreme Court would have immunity in performing the same functions.

It is not clear why the Board is suggesting a rule when one already exists. This could create confusion.

The proposed rule uses the term “absolute immunity” rather than the current GR 12.5 language of “quasi-judicial immunity.” Case law interpreting quasi-judicial immunity may be helpful and the Board should carefully consider whether the intention of the proposed rule is to exclude the cases interpreting quasi-judicial immunity.

WSBA FISCAL ANALYSIS

The proposed amendments would reduce the number of LLLT Board members resulting in a potential decrease in Board expenses. The Board’s Fiscal Year (FY) 2022 budget is \$15,449, with year-to-date actual expenses of \$4,952. FY 2022 expenses have trended lower due to fewer in-person meeting attendees than anticipated. Therefore, the potential decrease in expenses is likely to be reflected in the annual budget rather than the actual expenditures for the Board. The preliminary FY 2023 budget is \$15,000 which covers 15 members to attend the majority of meetings in-person. This amount could be reduced by approximately \$4,000 if the Board size is reduced to 11 members. Actual expenditures may reflect even more reductions if members choose to participate remotely.

SUGGESTED AMENDMENTS TO ADMISSION AND PRACTICE RULES

TITLE

ADMISSION AND PRACTICE RULES (APR)

RULE 28. LIMITED PRACTICE RULE FOR LIMITED LICENSE LEGAL TECHNICIANS

A.-B. Unchanged

C. Limited License Legal Technician Board

(1) *Establishment.* There is hereby established a Limited License Legal Technician Board (LLLT Board). The LLLT Board shall consist of 11 ~~15~~ voting members appointed by the Supreme Court. Nine members of the LLLT Board shall be active members of the WSBA with at least four active lawyer members, one of whom must have experience practicing in family law, and three active LLLT members. Two members of the LLLT Board shall be Washington residents who do not have a license to practice law. ~~And one non-voting ex-officio member who is a representative of the Washington State Board of Community and Technical Colleges. At least one member shall be a legal educator. At least 11 members shall be Washington lawyers, LLLTs or LPOs. Of those 11 members, at least nine shall be active lawyers or LLLTs, and no more than two may be LPOs, or judicial or emeritus pro bono lawyers or LLLTs. Four members of the LLLT Board shall be Washington residents who do not have a license to practice law.~~ Appointments shall be for staggered three year terms. No member may serve more than two consecutive full three year terms. The validity of the Board’s actions is not affected if the Board’s makeup differs from the stated constitution due to a temporary vacancy in any of the specified positions.

(2) *LLLT Board Duties and Powers.* ~~Responsibilities.~~ The LLLT Board shall be responsible for the following:

- (a) Grievances and discipline. The LLLT Board’s involvement in the investigation, hearing and appeal procedures for handling complaints of persons aggrieved by the failure of LLLTs to comply with the requirements of this rule and of the LLLT RPC shall be as established in

SUGGESTED AMENDMENTS TO ADMISSION AND PRACTICE RULES

1 the Rules for Enforcement of LLLT Conduct (ELLLTC). ~~Recommending practice areas of~~
2 law for LLLTs, subject to approval by the Supreme Court;

3 (b) Approval of Forms. The LLLT Board shall approve standard forms for use by LLLTs
4 in the performance of legal services authorized by this rule. ~~Working with the Bar and other~~
5 ~~appropriate entities to select, create, maintain, and grade the examinations required under~~
6 ~~this rule which shall, at a minimum, cover the rules of professional conduct applicable to~~
7 ~~LLLTs, rules relating to the attorney client privilege, procedural rules, and substantive law~~
8 ~~issues related to approved practice areas;~~

9 (c) Rules. The LLLT Board shall propose to the Supreme Court amendments to APR 28,
10 LLLT Rules of Professional Conduct, the Rules for Enforcement of LLLT Conduct, and
11 these rules as may appear necessary to implement and carry out the provisions of this rule.
12 ~~Approving education and experience requirements for licensure in approved practice areas;~~

13 (d) Establishing and overseeing committees and tenure of members on such committees to
14 carry out the LLLT Board’s duties and powers; including

- 15 i. providing continuing legal education to LLLTs;
- 16 ii. assessing changes in the law that effect the scope of practice by LLLTs; and
- 17 iii. collaborating with other boards and entities regarding the delivery of law related
18 services.

19 ~~(e) Establishing and maintaining criteria for approval of educational programs that offer~~
20 ~~LLLT core curriculum; and~~

21 ~~(f) Such other activities and functions as are expressly provided for in this rule.~~

22 (3) ~~(4)~~ Administration. The Bar shall provide reasonably necessary administrative support for
23 the LLLT Board. All notices and filings required by these Rules, ~~including applications for~~
24 ~~admission as a LLLT,~~ shall be sent to the headquarters of the Bar.

25 ~~(3) Rules and Regulations. The LLLT Board shall propose rules, regulations and amendments~~
26 ~~to these rules and regulations, to implement and carry out the provisions of this rule, for~~

SUGGESTED AMENDMENTS TO ADMISSION AND PRACTICE RULES

1 ~~adoption by the Supreme Court.~~

2 ~~(4)(5)~~ *Expenses of the LLLT Board.* Members of the LLLT Board shall not be compensated for
3 their services but shall be reimbursed for actual reasonable and necessary expenses incurred in
4 the performance of their duties according to the Bar’s expense policies.

5 **D. - O.** Unchanged

6 **P. Regulations.** The LLLT Board may adopt regulations pertinent to its duties and powers
7 subject to the approval of the Supreme Court. Proposed regulations should be provided to the
8 Washington State Bar Association Board of Governors for informational purposes.

9
10 **APPENDIX APR 28. REGULATIONS OF THE APR 28 LIMITED LICENSE LEGAL**
11 **TECHNICIAN BOARD**

12 **REGULATION 1** Unchanged

13 **REGULATION 2A** Unchanged

14 **B. Domestic Relations**

15 1. *Domestic Relations, Defined.* For the purposes of these Regulations, domestic relations shall
16 include only the following actions:

17 (a) – (h) Unchanged.

18 (i) agreed or default minor guardianships or guardianships arising out of a familial
19 relationship nonparental and third party custody,

20 (j) – (k) Unchanged.

21 2. *Scope of Practice for Limited License Legal Technicians -- Domestic Relations.* LLLTs
22 licensed in domestic relations may render legal services to clients as provided in APR 28 F and
23 this regulation, except as prohibited by APR 28 H and Regulation 2B.

24 (a) – (g) Unchanged.

SUGGESTED AMENDMENTS TO ADMISSION AND PRACTICE RULES

1 (h) LLLTs, when accompanying their client, may assist and confer with their pro se clients
2 and respond to direct questions from the court or tribunal regarding factual and procedural
3 issues at the hearings listed below:

4 i. – v. Unchanged.

5 vi. adequate cause hearings for ~~nonparental custody or~~ parenting plan modifications;

6 vii. Unchanged.

7 viii. pretrial ~~trial setting~~ calendar proceedings such as trial setting, pretrial conferences,
8 and status conferences with or without the client when the LLLT has confirmed the
9 available dates of the client in writing in advance of the proceeding;

10 ix. agreed or default minor guardianships or guardianships arising out of a familial
11 relationship; and

12 x. settlement conference proceedings.

13 3. *Prohibited Acts.* In addition to the prohibitions set forth in APR 28H, in the course of
14 rendering legal services to clients or prospective clients, LLLTs licensed to practice in domestic
15 relations:

16 a. Unchanged;

17 b. shall not render legal services in:

18 i. – viii. Unchanged.

19 ix. major parenting plan modifications ~~and nonparental custody actions~~ beyond the
20 adequate cause hearing unless the terms are agreed to by the parties or one party defaults;

21 x. – xii. Unchanged.

22 **REGULATIONS 3 – 20** Unchanged.



To: WSBA Board of Governors
From: Tracy S. Flood, President
Re: 2022-23 Board of Trustees Appointments
Date: September 1, 2022

The Washington State Bar Foundation Board is pleased to present the proposed 2022-23 Board of Trustees roster.

The Washington State Bar Foundation is the fundraising arm of the WSBA. The current members of the WSBA Board of Governors constitute the membership of the Foundation. Per the Foundation's bylaws, the WSBA Executive Director serves as the Foundation's Secretary ex officio, the WSBA Immediate Past President serves as a trustee ex officio, and the WSBA President each year appoints a first year Governor to serve a three-year term on the Foundation Board. The remaining seats are recommended by the Foundation Board and appointed by the Board of Governors, convened as the members of the Foundation.

The Board has unanimously approved a slate that includes appointing (in addition to the continuing trustees):

- Treasurer Richard C. Bird, Jr. to continue as a Trustee in the Additional Year Officer position

Attachments:

- Proposed roster



2022-2023 Board of Trustees, Recommendation

POSITION	RECOMMENDATION	TERM, ending
WSBA 1 st Year Governor	<i>Appointed by 2022-2023</i> <i>BOG President</i> TBD	September 2025
WSBA 2 nd Year Governor	<i>Appointed by 2021-2022</i> <i>BOG President</i> Sunitha Anjilvel	September 2024
WSBA 3 rd Year Governor	<i>Appointed by 2020-2021</i> <i>BOG President</i> Brent Williams-Ruth	September 2023
WSBA Past President or Governor	Tracy S. Flood, President	1 st Regular Term, September 2023
Additional Year Officer	Richard C. Bird, Jr., Treasurer	September 2023
WSBA Member	Allie Sisson	1 st Regular Term, September 2024
WSBA Member	Peter Finch	1 st Regular Term, September 2023
WSBA Member	Kinnon Williams, Vice President	2 nd Term, September 2023
WSBA Member	Susan Machler	1 st Regular Term, September 2025
Minority/Specialty Bar Rep.	Deb Wechselblatt	1 st Regular Term, September 2024
Law Student	Maya Manus	Graduation
Public Member	<i>Vacant</i>	1 st Term, September 2025
Public Member	<i>Vacant</i>	1 st Term, September 2025
At Large	Gloria Ochoa-Bruck	2 nd Term, September 2025
At Large	Rajeev Majumdar, Vice President	1 st Term, September 2024
At Large	Kristine Kuenzli	1 st Term, September 2023
WSBA Immediate Past President	Hon. Brian Tollefson (Ret.)	September 2023
WSBA Executive Director	Terra Nevitt, Secretary	Executive Director serves Ex Officio

TO: WSBA Board of Governors
CC: Terra Nevitt, Executive Director
FROM: Bobby Henry, Associate Director for Regulatory Services
DATE: September 6, 2022
RE: Suggested Amendments to Admission and Practice Rules, General Rules, and LPO Rules of Professional Conduct

ACTION: The Regulatory Services Department is presenting suggested amendments to the Admission and Practice Rules, General Rules, and LPO Rules of Professional Conduct for the Board's approval to submit to the Washington Supreme Court.

The Admission and Practice Rules (APR) underwent significant amendments in January 2014 based on recommendations from an APR Task Force, and subsequently were amended significantly again in 2017 when LPOs and LLLTs were made members of the WSBA. Since then, the COVID-19 pandemic, technological implementations, the advent of certain legal education degrees, and simple oversights in previous amendments have led the WSBA's Regulatory Services Department (RSD) to suggest amendments to the APR. In addition, RSD suggests related amendments to the General Rules (GR) as well as one rule in the LPO Rules of Professional Conduct (LPORPC).

RSD presents the suggested amendments to the Board of Governors at this time for approval to submit the suggested amendments to the Washington Supreme Court.

Background

As noted above, most of the amendments are suggested to correct errors, clarify a rule, or update a rule to align with modern processes. Only a few of the suggested amendments have a substantive change.

Substantive Suggested Amendments

The suggested amendments that are substantive in nature are:

APR 2(a)(1) and (2): Allowing Judicial Members on the Board of Bar Examiners and Law Clerk Board.

APR 2 grants the Board of Governors the power to appoint a Board of Bar Examiners and a Law Clerk Board. Currently, members of both boards must be active members of the WSBA. The suggested amendments would also allow judicial members of the WSBA to serve on these boards. Allowing judicial members to serve would increase the pool of potential volunteers to assist with filling the need for volunteers on these boards. In addition, judicial members may serve as tutors under the APR law clerk program, so it would be beneficial to have a judicial perspective on the Law Clerk Board.

APR 3(b)(3): Clarifying a Law Degree Is Required for Common Law Lawyer Qualification for Bar Exam.

APR 3(b) sets forth the various ways in which a person can qualify for the lawyer bar examination in Washington. APR 3(b)(3) allows lawyers from jurisdictions where the common law of England is the basis of its jurisprudence to qualify for the bar exam if they have active legal experience for at least three of the five years preceding the filing of the application. The suggested amendment expressly adds a legal education requirement for these lawyers, as is the case in all other means of qualifying for the bar exam in Washington. See APR 3(b)(1), (2) and (4).

The suggested amendment is more of a clarification than a substantive change as the rule, when adopted, presumed the person applying for admission from a common law jurisdiction would also have a law degree qualifying them to be admitted to practice law. In fact, this provision was included in the APR for the first time in September 1992 after someone petitioned the Board of Governors for an exception based on their graduation from a law school in England and their admission and practice experience in both England and California. See Attachment No. 4. This suggested amendment merely clarifies that a law degree is also required to qualify for the bar exam under this provision of APR 3(b).

APR 9(b)(4) & (5): Permitting Law Clerks Who Recently Completed the Law Clerk Program and Recent LLM Graduates Who Qualify for the Bar Exam to Be Licensed Legal Interns.

Currently, law students who have completed 2/3 of their law school education, APR 6 law clerks who have completed 5/8 of their law clerk program, and recent law school graduates can be licensed legal interns under APR 9. In a temporary order issued as a result of the pandemic, the Court also allowed law clerks who recently completed the law clerk program and those LLM graduates who qualify for the bar exam under APR 3(b)(4) to be licensed legal interns. The temporary order has since expired. The suggested amendments would reinstate those provisions of the order that expired and allow the following to apply for a Rule 9 licensed legal intern license:

- Law clerks who completed the APR 6 law clerk program as long as the application is within nine months of completing the program.
- LLM graduates who qualify for the bar exam under APR 3(b)(4) as long as the application is within nine months of graduation.

Including these individuals who qualify to apply for the bar exam applies the same standard as is applied to J.D. graduates of law school who are permitted to apply under Rule 9 within nine months of graduation.

APR 9(d)(8): Misconduct and Action Against Rule 9 License.

The suggested amendments to this provision of APR 9 relate to misconduct by a licensed legal intern. The suggested amendments clarify and broaden the conduct that could, but would not necessarily, result in the WSBA taking action against the Rule 9 license. Importantly, it removes the language about forfeiture of the privilege to take the bar exam, as that privilege can only be denied by the Court following a character and fitness hearing under APR 20-24.3.

GR 1 Part I: Listing New Bodies of Rules in Rules of General Application

The suggested amendments to GR 1 Part I, would list in the Rules of General Application, the following bodies of rules:

- Limited Practice Officer Rules of Professional Conduct LPORPC
- Limited License Legal Technician Rules of Professional Conduct LLLT RPC
- Rules for Enforcement of Limited Practice Officer Conduct ELPOC
- Rules for Enforcement of Limited License Legal Technician Conduct ELLLTC

Currently, these bodies of rules are under APR 12 in the cases of the LPORPC and ELPOC, or, under APR 28 in the case of the LLLT RPC. The ELLLTC, designed to be a temporary solution until new rules were drafted, are not published on the Court's website. As there are now no plans to draft new disciplinary procedural rules for LLLTs, the ELLLTC should be formally adopted and published for clarity and to promote consistency with the other disciplinary procedural rules (e.g., ELC and ELPOC). See Attachment No. 5 for the Court's order.

Technical Suggested Amendments to Correct, Clarify, or Modernize Rules

The remaining and vast majority of the amendments are technical in nature. These suggested amendments:

- correct errors and omissions in previous submissions of suggested amendments;
- clarify certain aspects of rules that cause confusion for either members, applicants, or staff. For example, with the advent of new law degrees such as Executive Juris Doctor (EJD), there is now a need to clarify the law degree referred to in APR 9 is the Juris Doctor (JD); and
- modernize administrative processes to align with technological advances and implementation of online procedures. For example, applications are submitted online and documents are “delivered” to applicants and others electronically instead of via U.S. mail.

All suggested technical amendments are identified in the following table:

Rule	Type of Amendment	Explanation
APR		
APR 1(e)(2)	Correction	Includes “Association” in full name of WSBA
APR 3(i)(1)(B)	Clarification	Court does and should approve admission application fees
APR 5(h)	Correction	Spells out LPO
APR 5(h)	Correction	Removes “Limited Practice Officer” in signature line as oath taker is not yet admitted as LPO
APR 5(i)	Correction	Prior amendments omitted in error the provision that LPO applicants also take their oath before a Washington judge in open court
APR 5(j)	Correction	Removes “Limited License Legal Technician” in signature line as oath taker is not yet admitted as LLLT
APR 8(b)	Clarification	Adds language to make very clear that a Washington lawyer cannot appear pro hac vice
APR 9(b)(1)	Clarification	Specifies J.D. program and a law school course of study
APR 9(b)(2)	Clarification	Specifies law clerk program course of study
APR 9(b)(3)	Clarification	Specifies J.D. graduate
APR 9(d)	Modernization	
APR 9(d)(3)	Clarification	Court does and should approve admission application fees
APR 9(d)(4)	Correction	Corrects rule citations
APR 9(d)(7)	Modernization	
APR 9(d)(9)	Correction and Modernization	Replaces “attorney” with “lawyer” to be consistent throughout rule
APR 9(h)(1)	Modernization	
APR 11(j)(1)	Correction	“LLLT or LPO” was omitted in error in prior amendments
APR 28G(2)(a)	Correction	Removes language that should have been deleted when the negotiation provisions for LLLTs was previously amended.
APR 28I(2)	Correction	The word “active” was omitted in error; only active LLLTs need financial responsibility

Rule	Type of Amendment	Explanation
GR		
GR 1 Part I	Update	Corrects name of APR and includes additional rule sets
GR 12.4(d)(1)	Update	Corrects name of APR and includes additional rule sets
GR 24(b)(1)	Update	Corrects rule titles, includes new rules
LPORPC		
LPORPC 1.12A(h)(5)	Modernization	Changes “bank transfer” to “electronic transfer”, which is consistent with RPC 1.15A and LLLT RPC 1.15A

WSBA RISK ANALYSIS:

There are no significant legal risks associated with submitting the recommend rule changes to the Court.

WSBA FISCAL ANALYSIS:

The suggested amendments would result in a minimal amount of revenue resulting from additional Rule 9 Legal Intern applications fees from Law Clerks who recently completed the Law Clerk Program and recent LLM graduates who qualify for the Bar Exam. The application fee is currently set at \$50 per applicant. During the period the temporary order was in effect, there were approximately two applications received which translates to approximately \$100 in annual revenue.

Attachments

1. Suggested Amendments to APR – redline
2. Suggested Amendments to GR – redline
3. Suggested Amendments to LPORPC – redline
4. 1991 GR 9 Coversheet re Amendment to APR 3(b) and related documents
5. Order No. 25700-A-1136 dated January 7, 2016 re ELLLTC

SUGGESTED AMENDMENTS TO ADMISION AND PRACTICE RULES

1 **TITLE**

2 **ADMISSION AND PRACTICE RULES (APR)**

3 **RULE 1. IN GENERAL; SUPREME COURT; PREREQUISITES TO THE**
4 **PRACTICE OF LAW; COMMUNICATIONS TO THE BAR; CONFIDENTIALITY;**
5 **DEFINITIONS**

6 (a) – (d) Unchanged.

7 (e) **Definitions.** The following definitions apply throughout these Admission and Practice
8 Rules except where otherwise stated:

9 (1) Unchanged.

10 (2) “Bar” means the Washington State Bar Association, including Bar staff.

11 (3) – (9) Unchanged.

12 **RULE 2. BOARD OF GOVERNORS;**

13 (a) **Powers.** In addition to any other power or authority in other rules, the Board of
14 Governors shall have the power and authority to:

15 (1) Appoint a Board of Bar Examiners from among the active and judicial members of the
16 Bar for the purposes of assisting the Bar grading examinations for admission or licensing and in
17 writing and maintaining the Washington Law Component;

18 (2) Appoint a Law Clerk Board from among the active and judicial members of the Bar for
19 the purposes of assisting the Bar in supervising the Law Clerk Program;

20 (3) - (7) Unchanged.

21 (b) Unchanged.

22 **RULE 3. APPLICANTS FOR ADMISSION TO PRACTICE LAW**

23 (a) Unchanged.

SUGGESTED AMENDMENTS TO ADMISION AND PRACTICE RULES

1 **(b) Qualification for Lawyer Bar Examination.** To qualify to sit for the lawyer bar
2 examination, a person must not be eligible for admission by motion or UBE score transfer and
3 must present satisfactory proof of:

4 (1) graduation with a Juris Doctor (JD) degree from a law school approved by the Board
5 of Governors; or

6 (2) completion of the law clerk program prescribed by these rules; or

7 (3) graduation from a university or law school in any jurisdiction where the common law
8 of England is the basis for its jurisprudence with a degree in law that would qualify the applicant

9 to practice law in that jurisdiction and admission to the practice of law in that same or other
10 jurisdiction where the common law of England is the basis of its jurisprudence, together with

11 current good standing, ~~in any jurisdiction where the common law of England is the basis for its~~
12 ~~jurisprudence~~, and active legal experience for at least three of the five years immediately

13 preceding the filing of the application; or

14 (4) graduation with a Master of Laws (LL.M.) degree for the practice of law as defined
15 below and either:

16 (A) graduation with a JD degree from a United States law school not approved by the
17 Board of Governors, or

18 (B) graduation from a university or law school in a jurisdiction outside the United States,
19 with a degree in law that would qualify the applicant to practice law in that
20 jurisdiction.

21 “LL.M. degree for the practice of law” means an LL.M. program at a law school approved by
22 the Board of Governors that consists of a minimum of 18,200 minutes of total instruction to
23

SUGGESTED AMENDMENTS TO ADMISION AND PRACTICE RULES

1 include at least 12,000 minutes of instruction on principles of domestic United States law, which
2 must include:

3 (A) a minimum of 2080 minutes in United States Constitutional Law, including
4 principles of separation of powers and federalism:

5 (B) a minimum of 2080 minutes in the civil procedure of state and federal courts in the
6 United States;

7 (C) a minimum of 1400 minutes in the history, goals, structure, values, rules and
8 responsibilities of the United States legal profession and its members; and

9 (D) a minimum of 1400 minutes in legal analysis and reasoning, legal research, problem
10 solving, and oral and written communication.

11 (c) – (h) Unchanged.

12 (i) Applications; Fees; Filing.

13 (1) Every applicant for admission shall:

14 (A) Execute and file an application, in the form and manner and within the time limits
15 that may be prescribed by the Bar;

16 (B) Pay upon the filing of the application such fees as may be set by the Board of
17 Governors subject to ~~review~~approval by the Supreme Court; and

18 (C) Furnish whatever additional information or proof may be required in the course of
19 investigating the applicant’s qualification for admission or licensure, and investigating the
20 applicant’s good moral character and fitness pursuant to APR 20-25.6.

21 (2) Unchanged.

22 **RULE 5. PRE-ADMISSION REQUIREMENTS; OATH; RECOMMENDATION FOR** 23 **ADMISSION; ORDER ADMITTING TO PRACTICE LAW**

SUGGESTED AMENDMENTS TO ADMISION AND PRACTICE RULES

1 (a) – (g) Unchanged.

2 **(h) Oath for ~~LPOs~~ Limited Practice Officers – Content of Oath.**

3 STATE OF WASHINGTON

4 COUNTY OF

5
6 I, _____, do solemnly declare:

7
8 1. I am fully subject to the laws of the State of Washington and Rule 12 of the Admission
9 and Practice Rules and APR 12 Regulations adopted by the Washington State Supreme Court and
10 will abide by the same.

11 2. I will support the constitutions of the state of Washington and of the United States of
12 America.

13 3. I will abide by the Limited Practice Officer Rules of Professional Conduct and Rules for
14 Enforcement of LPO Conduct approved by the Supreme Court of the State of Washington.

15 4. I will confine my activities as a Limited Practice Officer to those activities allowed by
16 law, rule and regulation and will only utilize documents approved pursuant to APR 12.

17 5. I will faithfully disclose the limitations of my services, that I am not able to act as the
18 advocate or representative of any party, that documents prepared will affect legal rights of the
19 parties, that the parties' interests in the documents may differ, that the parties have a right to be
20 represented by a lawyer of their own selection, and that I cannot give legal advice regarding the
21 manner in which the documents affect the parties.

22 6. I understand that I may incur personal liability if I violate the applicable standard of care
23 of a Limited Practice Officer. Also, I understand that I only have authority to act as a Limited
24

SUGGESTED AMENDMENTS TO ADMISION AND PRACTICE RULES

1 Practice Officer during the times that my financial responsibility coverage is in effect. If I am
2 covered under my employer's errors and omissions insurance policy or by my employer's
3 certificate of financial responsibility, my coverage is limited to services performed in the course
4 of my employment.

5
6 _____

7 Signature ~~Limited Practice Officer~~

8 Subscribed and sworn to before me this _____ day of _____, _____.

9 _____

10 JUDGE

11 **(i) Oath for Limited Practice Officer and of Limited License Legal Technician.** The Oath
12 for Limited Practice Officer and the Oath of Limited License Legal Technician shall be taken
13 before an elected or appointed judge, excluding judges pro tempore, sitting in open court in the
14 State of Washington.

15 **(j) Content of Oath of Limited License Legal Technician.** The oath which all applicants shall
16 take is as follows:

17 **OATH OF LIMITED LICENSE LEGAL TECHNICIAN**

18 STATE OF WASHINGTON

19 COUNTY OF

20 I, _____, do solemnly declare:

21 1. I am fully subject to the laws of the State of Washington, the laws of the United States,
22 Rule 28 of the Admission and Practice Rules, and APR 28 Regulations adopted by the
23 Washington State Supreme Court and will abide by the same;

24

SUGGESTED AMENDMENTS TO ADMISION AND PRACTICE RULES

1 2. I will support the constitutions of the State of Washington and of the United States of
2 America;

3 3. I will abide by the Limited License Legal Technician Rules of Professional Conduct
4 approved by the Supreme Court of the State of Washington;

5 4. I will confine my activities as a Limited License Legal Technician to those activities
6 allowed by law, rule and regulation and will only utilize documents approved pursuant to APR
7 28;

8 5. I will faithfully disclose the limitations of my services and that I am not a lawyer;

9 6. I will maintain the confidence and preserve inviolate the secrets of my client and will
10 accept no compensation in connection with the business of my client unless this compensation is
11 from or with the knowledge and approval of the client or with the approval of the court;

12 7. I will abstain from all offensive personalities and advance no fact prejudicial to the honor
13 or reputation of a party or witness unless required by the justice of the cause with which I am
14 charged;

15 8. I will never reject, from any consideration personal to myself, the cause of the defenseless
16 or oppressed, or delay unjustly the cause of any person.

17 _____

18 Signature ~~Limited License Legal Technician~~

19 Subscribed and sworn to before me this ____ day of _____, ____.

20 _____

21 JUDGE

22 (k) – (m) Unchanged.

23 **RULE 8. NON-MEMBER LAWYER LICENSES TO PRACTICE LAW**

24

SUGGESTED AMENDMENTS TO ADMISION AND PRACTICE RULES

1 (a) Unchanged.

2 (b) **Exception for Particular Action or Proceeding.** A lawyer member who is not admitted
3 in Washington state but who is in good standing of, and permitted to practice law in, the bar of
4 any other state or territory of the United States or of the District of Columbia, or a lawyer who is
5 providing legal services for no fee through a qualified legal services provider pursuant to rule
6 8(f), may appear as a lawyer in any action or proceeding only

7 (i) with the permission of the court or tribunal in which the action or proceeding is pending,
8 and

9 (ii) in association with an active lawyer member of the Bar, who shall be the lawyer of record
10 therein, responsible for the conduct thereof, and present at proceedings unless excused by the
11 court or tribunal. The requirement in (ii) is waived for a lawyer who is a full-time active duty
12 military officer serving in the office of a Staff Judge Advocate of the United States Army, Air
13 Force, Navy, Marines, or Coast Guard, or a Region Legal Service Office or a Defense Service
14 Office, or as a Special Victims' Counsel or Victims' Legal Counsel for any branch of the United
15 States Armed Forces, located in the State of Washington.

16 (1) – (6) Unchanged.

17 (c) – (g) Unchanged.

18 **RULE 9. LICENSED LEGAL INTERNS**

19 (a) Unchanged.

20 (b) **Eligibility.** To be eligible to apply to be a Licensed Legal Intern, an applicant must
21 have arranged to be supervised by a qualifying lawyer and:

22 (1) Be a student duly enrolled and in good academic standing in a J.D. program at an
23 approved law school who has:

SUGGESTED AMENDMENTS TO ADMISION AND PRACTICE RULES

1 (A) successfully completed not less than two-thirds of a law school's prescribed 3-year
2 course of study or five-eighths of a law school's prescribed 4-year course of study, and

3 (B) obtained the written approval of the law school's dean or a person designated by such
4 dean and a certification by the dean or designee that the applicant has met the educational
5 requirements; or

6 (2) Be an enrolled law clerk who:

7 (A) is certified by Bar staff to be in compliance with the provisions of APR 6 and to have
8 successfully completed not less than five-eighths of the law clerk program's prescribed 4-year
9 course of study, and

10 (B) has the written approval of the primary tutor; or

11 (3) Be a J.D. graduate of an approved law school who has not been admitted to the
12 practice of law in any state or territory of the United States or the District of Columbia, provided
13 that the application is made within nine months of graduation; or

14 (4) Have completed the APR 6 law clerk program and not been admitted to the practice
15 of law in any state or territory of the United States or the District of Columbia, provided that the
16 application is made within nine months of completion of the APR 6 law clerk program; or

17 (5) Be a graduate of an approved law school with an LL.M. that meets the requirements
18 in APR 3(b)(4) and who qualifies under APR 3(b)(4) to take the Washington lawyer bar
19 examination and who has not been admitted to the practice of law in any state or territory of the
20 United States or the District of Columbia, provided that the application is made within nine
21 months of graduation.

22 (c) Unchanged.

SUGGESTED AMENDMENTS TO ADMISION AND PRACTICE RULES

1 **(d) Application.** The applicant must submit an application ~~on~~ in a form ~~provided~~ and
2 manner as prescribed by the Bar ~~and signed by both the applicant and the supervising lawyer.~~

3 (1) – (2) Unchanged.

4 (3) Full payment of any required fees must be submitted with the application. The fees
5 shall be set by the Board of Governors subject to ~~review~~ approval by the Supreme Court.

6 (4) Bar staff shall review all applications to determine whether the applicant and the
7 supervising lawyer have the necessary qualifications, and whether the applicant possesses the
8 requisite good moral character and fitness to engage in the limited practice of law provided for
9 in this rule. Bar staff may investigate any information contained in or issues raised by the
10 application that reflect on the factors contained in APR 21 ~~(a)–24~~, and any application that reflects
11 one or more of the factors set forth in APR 21 ~~(a)~~ shall be referred to Bar Counsel for review.

12 (5) – (6) Unchanged.

13 (7) Upon Supreme Court approval of an applicant, the Bar shall ~~send to the applicant, in~~
14 ~~care of the supervising lawyer's mailing address on record with the Bar,~~ deliver to the supervising
15 lawyer, with a copy to the applicant, a letter confirming confirmation of approval by the Supreme
16 Court and a Licensed Legal Intern identification card. An applicant must not perform the duties
17 of a Licensed Legal Intern before receiving the ~~confirming letter~~ confirmation and identification
18 card.

19 (8) Once an application is accepted and approved and a license is issued, a Licensed
20 Legal Intern is subject to the Rules of Professional Conduct and the Rules for Enforcement of
21 Lawyer Conduct and to all other laws and rules governing lawyers admitted to the Bar of this
22 state, and is personally responsible for all services performed as a Licensed Legal Intern. Any
23 ~~offense~~ conduct by a Licensed Legal Intern that would subject a lawyer admitted to practice law

SUGGESTED AMENDMENTS TO ADMISION AND PRACTICE RULES

1 in this state to ~~suspension or disbarment may be punished~~ discipline may result in the Bar taking
2 action on the Licensed Legal Intern's license, including by termination of the Licensed Legal
3 Intern's license; or requiring disclosures by or condition on the Licensed Legal Intern and
4 supervising lawyer that appear reasonably necessary to safeguard against unethical conduct by
5 the Licensed Legal Intern during the term of the limited license. ~~suspension or forfeiture of the~~
6 ~~Licensed Legal Intern's privilege of taking the lawyer bar examination and being admitted to~~
7 ~~practice law in this state.~~

8 (9) A Licensed Legal Intern may have up to two supervising ~~attorneys~~ lawyers in different
9 offices at one time. A Licensed Legal Intern may submit an application for approval to add a
10 supervising ~~attorney~~ lawyer in another office or to change supervising ~~attorneys~~ lawyers any
11 time within the term of the limited license. When a Licensed Legal Intern applies to add a
12 concurrent supervising ~~attorney~~ lawyer in another office, the Intern must notify both the current
13 supervising ~~attorney~~ lawyer and the proposed new supervising ~~attorney~~ lawyer in writing about
14 the application, and both the current and the new supervising ~~attorney~~ lawyer must approve the
15 addition and certify that such concurrent supervision will not create a conflict of interest for the
16 Licensed. Legal Intern. The qualifications of the new supervising ~~attorney~~ lawyer will be
17 reviewed by Bar staff who may approve or deny the supervisor. The Licensed Legal Intern will
18 be notified of approval or denial of the new supervising ~~attorney~~ lawyer as described above and
19 must not perform the duties of a licensed legal intern before receiving a new ~~confirming letter~~
20 confirmation containing notification of approval and a new identification card.

21 (e) **Scope of Practice, Prohibitions and Limitations.** In addition to generally being
22 permitted to perform any duties that do not constitute the practice of law as defined in General
23

SUGGESTED AMENDMENTS TO ADMISION AND PRACTICE RULES

1 Rule 24, a Licensed Legal Intern shall be authorized to engage in the limited practice of law only
2 as authorized by the provisions of this rule.

3 (1) A Licensed Legal Intern may engage in the following activities without the presence of
4 the supervising ~~attorney~~ lawyer:

5 (A) Advise or negotiate on behalf of a person referred to the Licensed Legal Intern by the
6 supervising lawyer;

7 (B) Prepare correspondence containing legal advice to clients or negotiating on behalf of
8 clients, pleadings, motions, briefs or other documents. All such correspondence, pleadings,
9 motions, and briefs must be reviewed and signed by the supervising ~~attorney~~ lawyer, as well as
10 any other documents requiring the signature of a lawyer. On any correspondence or legal
11 document signed by the Licensed Legal Intern, the Licensed Legal Intern's signature shall be
12 followed by the title "Licensed Legal Intern" and the licensed legal intern's identification
13 number;

14 (C) Present to the court ex parte and agreed orders signed by the supervising lawyer,
15 except as otherwise provided in these rules;

16 (D) After a reasonable period of in-court supervision or supervision while practicing
17 before an administrative agency, which shall include participating with the supervising lawyer in
18 at least one proceeding of the type involved before the same tribunal and being observed by the
19 supervising lawyer while handling one additional proceeding of the same type before the same
20 tribunal:

21 (i) Represent the State or the respondent in juvenile court in misdemeanor and gross
22 misdemeanor cases;

23 (ii) Try hearings, non-jury trials, or jury trials, in courts of limited jurisdiction;

SUGGESTED AMENDMENTS TO ADMISION AND PRACTICE RULES

1 (iii) Represent a client in any administrative adjudicative proceeding for which non-
2 lawyer representation is not otherwise permitted.

3 (2) – (7) Unchanged.

4 **(f) Additional Obligations of Supervising Lawyer.** Agreeing to serve as the supervising
5 lawyer for a Licensed Legal Intern imposes certain additional obligations on the supervising
6 lawyer. The failure of a supervising lawyer to comply with the duties set forth in this rule shall
7 be grounds for disciplinary action pursuant to the Rules for Enforcement of Lawyer Conduct. In
8 addition to the duties stated or implied above, the supervising lawyer:

9 (1) – (6) Unchanged.

10 (7) must meet with ~~any~~ the Licensed Legal Intern ~~he/she is supervising~~, in person or by
11 telephone, a minimum of one time per week, to review cases being handled and to provide
12 feedback on performance, additional guidance and instruction, and to answer questions or issues
13 raised by the Licensed Legal Intern;

14 (8) – (10) Unchanged.

15 **(g)** Unchanged.

16 **(h) Term of Limited License.** A limited license issued pursuant to this rule shall be valid,
17 unless it is revoked or supervision is terminated, for a period of not more than 30 consecutive
18 months, and in no case will it be valid if it has been more than 18 months since the Licensed
19 Legal Intern graduated from law school or completed the APR 6 Law Clerk program.

20 (1) The approval given to a law student by the law school dean or the dean's designee or to a
21 law clerk by the tutor may be withdrawn at any time by ~~mailing~~ delivering notice to that effect to
22 the Bar, and must be withdrawn if the student ceases to be duly enrolled as a student prior to
23 graduation, takes a leave of absence from the law school or from the clinical program for which
24

SUGGESTED AMENDMENTS TO ADMISION AND PRACTICE RULES

1 the limited license was issued, or ceases to be in good academic standing, or if the APR 6 law
2 clerk ceases to comply with APR 6. When the approval is withdrawn, the Licensed Legal
3 Intern’s license must be terminated promptly.

4 (2) – (3) Unchanged.

5 **RULE 11. MANDATORY CONTINUING LEGAL EDUCATION (MCLE)**

6 (a) – (i) Unchanged.

7 (j) **Sponsor Duties.** All sponsors must comply with the following duties unless waived by
8 the Bar for good cause shown:

9 (1) The sponsor must not advertise course credit until the course is approved by the Bar but
10 may advertise that the course credits are pending approval by the Bar after an application has
11 been submitted. The sponsor shall communicate to the lawyer, LLLT or LPO the number of
12 credits and denominate whether the credits are “law and legal procedure” as defined under
13 section (f)(1), “ethics and professional responsibility” as defined under section (f)(2), or “other,”
14 meaning any of the other subjects identified in sections (f)(3)-(7).

15 (2) – (7) Unchanged.

16 (k) Unchanged.

17 **RULE 28. LIMITED PRACTICE RULE FOR LIMITED LICENSE LEGAL** 18 **TECHNICIANS**

19 **A. – F.** Unchanged.

20 **G. Conditions Under Which A Limited License Legal Technician May Provide Services**

21 (1) Unchanged.

22 (2) Prior to the performance of the services for a fee, the Limited License Legal Technician shall
23 enter into a written contract with the client, signed by both the client and the Limited License
24

SUGGESTED AMENDMENTS TO ADMISION AND PRACTICE RULES

1 Legal Technician, that includes the following provisions:

2 (a) An explanation of the services to be performed, including a conspicuous statement
3 that the Limited License Legal Technician may not represent the client in court, formal
4 administrative adjudicative proceedings, or other formal dispute resolution process ~~or~~
5 ~~negotiate the client's legal rights or responsibilities~~, unless permitted under GR 24(b) or
6 specifically authorized by the scope of practice regulations for the approved practice area
7 in which the LLLT is licensed;

8 (b) – (g) Unchanged.

9 (3) – (4) Unchanged.

10 **H.** Unchanged.

11 **I. Continuing Licensing Requirements**

12 (1) Unchanged.

13 (2) *Financial Responsibility*. Each active LLLT shall show proof of ability to respond in
14 damages resulting from his or her acts or omissions in the performance of services permitted
15 under APR 28 by:

16 a. submitting an individual professional liability insurance policy in the amount of at least
17 \$100,000 per claim and a \$300,000 annual aggregate limit;

18 b. submitting a professional liability insurance policy of the employer or the parent company of
19 the employer who has agreed to provide coverage for the LLLT's ability to respond in damages
20 in the amount of at least \$100,000 per claim and a \$300,000 annual aggregate limit; or

21 c. submitting proof of indemnification by the LLLT's government employer.

22 (3) – (4) Unchanged.

23 **J. – O.** Unchanged.

SUGGESTED AMENDMENTS TO ADMISION AND PRACTICE RULES

1 **APPENDIX APR 28. REGULATIONS OF THE APR 28 LIMITED LICENSE LEGAL**
2 **TECHNICIAN BOARD**

3 Unchanged.
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SUGGESTED AMENDMENTS TO THE GENERAL RULES

1 **GR 1 CLASSIFICATION SYSTEM FOR COURT RULES**

2 **Part I: Rules of General Application**

3 General Rules GR

4 Code of Judicial Conduct CJC

5 Discipline Rules for Judges DRJ

6 Board for Judicial Administration Rules BJAR

7 Admission to and Practice Rules APR

8 Rules of Professional Conduct RPC

9 Limited Practice Officer Rules of Professional Conduct LPORPC

10 Limited License Legal Technician Rules of Professional Conduct LLLT RPC

11 Rules for Enforcement of Lawyer Conduct ELC

12 Rules for Enforcement of Limited Practice Officer Conduct ELPOC

13 Rules for Enforcement of Limited License Legal Technician Conduct ELLLTC

14 Judicial Information System Committee Rules JISCR

15 Rules of Evidence ER

16 **Part II – V** [Unchanged.]

17

18 **GR 12.4 WASHINGTON STATE BAR ASSOCIATION ACCESS TO RECORDS**

19 **(a) – (c)** [Unchanged.]

20 **(d) Bar Records—Right of Access.**

21 (1) The Bar shall make available for inspection and copying all Bar records, unless the record
22 falls within the specific exemptions of this rule, or any other state statute (including the Public
23 Records Act, chapter 42~~5~~².56 RCW) or federal statute or rule as they would be applied to a public
24 agency, or is made confidential by the Rules of Professional Conduct, the LLLT Rules of
25 Professional Conduct, the LPO Rules of Professional Conduct, the Rules for-Enforcement of

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SUGGESTED AMENDMENTS TO THE GENERAL RULES

1 Lawyer Conduct, the Admission ~~to~~ and Practice Rules and associated regulations, the Rules for
2 Enforcement of Limited Practice Officer Conduct, the Rules for Enforcement of Limited
3 License Legal Technician Conduct, General Rule 25, court orders or protective orders issued
4 under those rules, or any other state or federal statute or rule. To the extent required to prevent
5 an unreasonable invasion of personal privacy interests or threat to safety or by the above-
6 referenced rules, statutes, or orders, the Bar shall delete identifying details in a manner
7 consistent with those rules, statutes, or orders when it makes available or publishes any Bar
8 record; however, in each case, the justification for the deletion shall be explained in writing.

9 (2) [Unchanged].

10 (e) – (j) [Unchanged.]

12 **GR 24 DEFINITION OF THE PRACTICE OF LAW**

13 (a) [Unchanged.]

14 (b) **Exceptions and Exclusions:** Whether or not they constitute the practice of law, the
15 following are permitted:

16 (1) Practicing law authorized by a limited license to practice law pursuant to Admission ~~to~~
17 and Practice Rules 3(g) (pro bono admission), 8 (special-limited admissions for: a particular
18 purpose or action or proceeding; indigent representation; educational purposes; emeritus
19 membership; house counsel), 9 (licensed legal interns), 12 (limited practice for closing officers),
20 or 14 (limited practice for foreign law consultants), or 28 (limited license legal technicians).

21 (2) – (11) [Unchanged.]

22 (c) – (f) [Unchanged.]

**SUGGESTED AMENDMENTS TO THE
LIMITED PRACTICE OFFICER RULES OF PROFESSIONAL CONDUCT (LPORPC)**

1 LPORPC 1.12A SAFEGUARDING PROPERTY

2 (a) – (g) Unchanged.

3 (h) An LPO or Closing Firm must comply with the following for all trust accounts:

4 (1) – (4) Unchanged.

5 (5) All withdrawals must be made only to a named payee and not to cash. Withdrawals
6 must be made by check or by ~~bank~~ electronic transfer.

7 (6) – (8) Unchanged.

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THE SUPREME COURT

STATE OF WASHINGTON

TEMPLE OF JUSTICE

C.J. MERRITT
CLERK

RONALD R. CARPENTER
DEPUTY CLERK

MAIL STOP AV-11
OLYMPIA WA 98504-0511


(206) 357-0077



February 5, 1992

MEMORANDUM

TO: Acting Chief Justice Andersen, Chairman
Rules Committee
Nancy Sullins

FROM: C. J. Merritt, Clerk 

RE: Proposed Amendment to APR 3(b)

Attached, for your information, is a copy of the proposed amendment to APR 3(b), received from the Washington State Bar Association, dated August 28, 1991. Because this recommendation was incorporated with a request for a waiver of that same rule for Richard Jacobs it was overlooked and was not included with the proposed rules for January 1992. I apologize for this oversight.

CJM: lb

Attachment



WASHINGTON STATE BAR ASSOCIATION
300 WESTIN BUILDING — 2001 SIXTH AVENUE
SEATTLE, WASHINGTON 98121-2599

DENNIS P. HARWICK
EXECUTIVE DIRECTOR

August 28, 1991

(206) 448-0441

C. J. Merritt
Clerk
Washington State Supreme Court
Temple of Justice
MS AV-11
Olympia, Washington 98504

BA# 30 -

Re: Bar Applicant RICHARD JACOBS and Proposed Amendment to
APR 3(b)

Dear Mr. Merritt:

At its meeting on August 24 - 25, 1991, the Board of Governors was asked to review a request that it recommend to the Supreme Court that the requirements of Rule 3(b) regarding qualification for the bar examination be waived as to bar applicant Richard Jacobs. In that regard, the Board reviewed the requirements of APR 3(b) and determined to recommend to the court that its requirements be waived as to Mr. Jacobs and that the rule be amended.

APR 3(b) requires that to qualify to sit for the bar examination an applicant must: (1) graduate from a law school approved by the Board of Governors, or (2) complete the law clerk program, or (3) be admitted to practice in another jurisdiction in the United States and have been in the active practice of law for 3 of the past 5 years.

RICHARD JACOBS: Mr. Jacobs requested that the Board of Governors permit him to sit for the bar examination. A copy of his request and supporting materials is enclosed.

He is a 1978 graduate of University College of London College of Law. He was admitted to the Bar of England and Wales in 1978 and practiced there for 8 years. In 1990 he was admitted to the Bar in California. He is also admitted to the United States District Court (N.D. California), the Ninth Circuit Court of Appeals, and the United States Tax Court. He now lives in Bellingham and seeks admission to the Bar in Washington. The Board of Governors, by a vote of 8 - 2, recommends that APR 3(b) be waived so that Mr. Jacobs can sit for the bar examination.

If permitted to sit for the bar examination, Mr. Jacobs would be required to meet all other requirements of the Admission to Practice Rules prior to being recommended for admission to the Bar.

C. J. Merritt
August 28, 1991
Page 2

AMENDMENT TO APR 3(b): Pursuant to GR 9, I enclose a proposed amendment to APR 3(b) as approved by the Board of Governors. The amendment would include among those qualified to sit for the bar examination persons admitted to practice in any jurisdiction where the common law of England is the basis of its jurisprudence who have been engaged in the active practice of law for at least 3 of the past 5 years.

Please call these matters to the attention of the Court.
Thank you.

Sincerely,

A handwritten signature in cursive script that reads "Dennis P. Harwick". The signature is written in dark ink and is positioned to the right of the word "Sincerely,".

Dennis P. Harwick

cc: Richard Jacobs
1225 E. Sunset Drive, Ste. 501
Bellingham, WA 98226

GR 9 COVER SHEET

Proposed Amendment

Admission to Practice Rules (APR)

APR 3(b)

Qualification for Bar Examination.

(1) Background. The Board of Governors of the Washington State Bar Association was asked to recommend to this Court that a bar applicant who is a graduate from a law school in England, and who is admitted to practice there, be permitted to sit for the Washington Bar Examination. In reviewing that request, the Board reviewed the requirements of APR 3(b) and recommends that it be amended.

(2) Purpose. The purpose of the proposed amendment to APR 3(b) is to permit persons to sit for the bar examination who have not graduated from a law school approved by the Board of Governors but who are admitted to practice law and have been engaged in the active practice of law in other jurisdictions where the common law of England is the basis of its jurisprudence.

Many other jurisdictions in the United States, including Oregon and Idaho, have comparable rules providing for the admission of graduates of foreign law schools which meet certain criteria, admission of persons admitted to practice law in jurisdictions meeting certain criteria, or a combination of the two. A summary of those rules is in the supporting materials.

(3) Washington State Bar Association Action. The Board of Governors considered this proposed amendment at its meeting on

August 24, 1991 and voted to recommend its adoption by a vote of 8
- 2.

(4) Supporting Materials. Attached is a copy of the proposed rule amendment together with the supporting materials submitted to the Board of Governors, including "Chart VII: Foreign Law School Graduates", Comprehensive Guide to Bar Admission Requirements 1991-92, American Bar Association and National Conference of Bar Examiners (1991).

(5) Spokesperson. Dennis P. Harvick, Executive Director, or Robert D. Welden, General Counsel, Washington State Bar Association, 500 Westin Building, 2001 Sixth Avenue, Seattle, Washington 98121.

(6) Hearing. A hearing is not recommended.

PROPOSED AMENDMENT**Admission to Practice Rules****APR 3(b)****Qualification for Bar Examination.**

To qualify to sit for the bar examination, a person must present satisfactory proof of either (i) graduation from a law school approved by the Board of Governors, or (ii) completion of the law clerk program prescribed by these rules, or (iii) admission to the practice of law by examination, together with current good standing, in any state or territory of the United States or the District of Columbia or any jurisdiction where the common law of England is the basis of its jurisprudence, and active legal experience for at least 2 of the 5 years immediately preceding the filing of the application. 'Active legal experience' shall mean experience either in the active practice of law, or as a teacher at an approved law school, or as a judge of a court of general or appellate jurisdiction, or any combination thereof, in a state or territory of the United States or in the District of Columbia or in any jurisdiction where the common law of England is the basis of its jurisprudence.

Filed
Washington State Supreme Court
JAN - 7 2016
Ronald R. Carpenter
Clerk

THE SUPREME COURT OF WASHINGTON

IN THE MATTER OF — ENFORCEMENT)
OF LIMITED LICENSE LEGAL TECHNICIAN)
CONDUCT)
_____)

ORDER

NO. 25700-A- 1136

The Washington State Limited License Legal Technician Board having recommended the interim adoption of the attached Enforcement of Limited License Legal Technician Conduct in order to establish a system for the enforcement of the Limited License Legal Technician Rules of Professional Conduct, and the Court having determined that the proposed system will aid in the prompt and orderly administration of justice and further determined the need for expedited adoption;

Now, therefore, it is hereby

ORDERED:

That the system of Enforcement of Limited License Legal Technician Conduct as attached hereto is approved pursuant to the provisions of Appendix APR 28 Regulation 20.

(c) That the attached system of Enforcement of Limited License Legal Technician Conduct is approved and shall be effective as of the signing of this order by the Court.

729/121

Page 2

ORDER

IN THE MATTER OF — ENFORCEMENT OF LIMITED LICENSE LEGAL TECHNICIAN
CONDUCT

DATED at Olympia, Washington this 7th day of January 2016.

Johnson, J.

Quinn, J.

Fairhurst, J.

Stephens, J.

Madsen, C. J.

Wiggins, J.

Scott McCall, J.

Boyer

RULES FOR ENFORCEMENT OF LIMITED LICENSE LEGAL TECHNICIAN CONDUCT (ELLLTC)

TITLE 1 – SCOPE, JURISDICTION, AND DEFINITIONS

ELLLTC 1.1 SCOPE OF RULES

These rules govern the procedure by which a Limited License Legal Technician may be subjected to disciplinary sanctions or actions for violation of the Limited License Legal Technician Rules of Professional Conduct (LLLT RPC) adopted by the Washington Supreme Court.

ELLLTC 1.2 JURISDICTION

Any licensed LLLT permitted to engage in the limited practice of law in this state is subject to these Rules for Enforcement of Limited License Legal Technician Conduct. Jurisdiction exists regardless of the LLLT's residency or authority to engage in the limited practice of law in this state.

ELLLTC 1.3 DEFINITIONS

Unless the context clearly indicates otherwise, terms used in these rules have the following meanings:

- (a) "Association" means the Washington State Bar Association;
- (b) "Public file" means the pleadings, motions, rulings, decisions, and other formal papers filed in a proceeding;
- (c) "Board" when used alone means the Limited License Legal Technician Board;
- (d) "Board of Governors" means the Board of Governors of the Washington State Bar Association;
- (e) "Chair" when used alone means the Chair of the Limited License Legal Technician Board;
- (f) "Clerk" when used alone means the Association's staff designated to work with the Limited License Legal Technician Board and includes the Director of Regulatory Services and other Association counsel where appropriate;
- (g) "Firm" means any law firm or other business, whether public or private, that employs, or contracts for the services of, an LLLT;
- (h) "Court" unless otherwise specified, means the Supreme Court of Washington;
- (i) "Disciplinary action" means sanctions under rule 13.1 and admonitions under rule 13.5;
- (j) "ELC" means the Rules for Enforcement of Lawyer Conduct;
- (k) "Final" means no review has been sought in a timely fashion or all appeals have been concluded;
- (l) "Grievant" means the person or entity who files a grievance (except for a confidential source under rule 5.2);
- (m) "Hearing Officer" means the person assigned under rule 10.2(a)(1) or, when a hearing panel has been assigned, the hearing panel chair;
- (n) "LLLT" means Limited License Legal Technician;
- (o) "Mental or physical incapacity" includes, but is not limited to, insanity, mental illness, senility, or debilitating use of alcohol or drugs;
- (p) "Panel" means a hearing panel under rule 10.2(a)(2);

- (q) "Party" means disciplinary counsel or respondent, except in rule 2.3(f) "party" also includes a grievant;
- (r) "Respondent" means an LLLT against whom a grievance is filed or an LLLT investigated by the Clerk or disciplinary counsel;
- (s) "APR" means the Admission and Practice Rules;
- (t) "CR" means the Superior Court Civil Rules;
- (u) "RAP" means the Rules of Appellate Procedure;
- (v) "LLLT RPC" means the Limited License Legal Technician Rules of Professional Conduct adopted by the Washington Supreme Court.
- (w) **Words of authority.**
- (1) "May" means "has discretion to," "has a right to," or "is permitted to".
 - (2) "Must" means "is required to".
 - (3) "Should" means recommended but not required.

ELLLTC 1.4 NO STATUTE OF LIMITATION

No statute of limitation or other time limitation restricts filing a grievance or bringing a proceeding under these rules, but the passage of time since an act of misconduct occurred may be considered in determining what if any action or sanction is warranted.

ELLLTC 1.5 VIOLATION OF DUTIES IMPOSED BY THESE RULES

An LLLT violates LLLT RPC 8.4 and may be disciplined under these rules for violating duties imposed by these rules, including but not limited to the following duties:

- respond to inquiries or requests about matters under investigation, rule 5.3(e);
- file an answer to a formal complaint or to an amendment to a formal complaint, rule 10.5;
- cooperate with discovery and comply with hearing orders, rules 5.5 and 10.11(g);
- attend a hearing and bring materials requested by Association staff and/or disciplinary counsel, rule 10.13(b) and (c);
- respond to subpoenas and comply with orders enforcing subpoenas, rule 10.13(e);
- notify clients and others of inability to act, rule 14.1;
- discontinue practice, rule 14.2;
- file an affidavit of compliance, rule 14.3;
- maintain confidentiality, rule 3.2;
- cooperate with an examination of books and records, rule 15.2;
- notify the Association of a trust account overdraft, rule 15.4(d);
- file a declaration or questionnaire certifying compliance with LLLT RPC 1.15 A and B, rule 15.5;
- comply with conditions of probation, rule 13.8;
- comply with conditions of a stipulation, rule 9.1;
- pay restitution, rule 13.7; or
- pay costs, rule 5.3(e) or 13.9.

TITLE 2 – ORGANIZATION AND STRUCTURE

ELLLTC 2.1 SUPREME COURT

The Washington Supreme Court has exclusive responsibility in the state to administer the LLLT discipline and disability system and has inherent power to maintain appropriate standards of professional conduct and to dispose of individual cases of LLLT discipline and disability. Persons carrying out the functions set forth in these rules act under the Supreme Court's authority.

ELLLTC 2.2 BOARD OF GOVERNORS

(a) Function. The Board of Governors of the Association:

- (1) supervises the general functioning of the disciplinary counsel and Association staff; and
- (2) performs other functions and takes other actions provided in these rules, delegated by the Supreme Court, or necessary and proper to carry out its duties.

(b) Limitation of Authority. The Board of Governors has no right or responsibility to review hearing officer, hearing panel, or Limited License Legal Technician Board decisions or recommendations in specific cases.

ELLLTC 2.3 LIMITED LICENSE LEGAL TECHNICIAN BOARD

(a) Function for purposes of these rules. The Board performs the functions provided under these rules, delegated by the Supreme Court, or necessary and proper to carry out its duties.

(b) Membership.

- (1) *Composition.* The Board is composed as set forth in APR 28(C).
- (2) *Voting.* Each member, including the Chair, whether nonlawyer or lawyer, has one vote.
- (3) *Quorum.* A majority of the Board members constitutes a quorum. If there is a quorum, the concurrence of a majority of those present and voting constitutes action of the Board, so long as at least five members vote.
- (4) *Leave of Absence While Grievance Is Pending.* If a grievance is filed against a member of the Board, the member shall take a leave of absence until the matter is resolved.

(c) Disqualification.

- (1) A Board member should disqualify him or herself from a particular matter in which the member's impartiality might reasonably be questioned, including, but not limited to, instances in which:
 - (A) the member has a personal bias or prejudice concerning a party, or personal knowledge of disputed evidentiary facts concerning the matter;
 - (B) the member previously served as a lawyer or LLLT or was a material witness in the matter in controversy, or a lawyer or LLLT with whom the member works serves or has previously served as a lawyer or LLLT concerning the matter, or such lawyer or LLLT is or has been a material witness concerning the matter;
 - (C) the member knows that, individually or as a fiduciary, the member or the member's spouse or relative residing in the member's household, has an economic interest in the subject matter in controversy or in a party to the matter, or is an officer, director, or trustee of a party or has any other interest that could be substantially affected by the outcome of the matter, unless there is a remittal of disqualification under section (d);
 - (D) the member or the member's spouse or relative residing in the member's household, or the spouse of such a person:

(i) is a party to the matter, or an officer, director, or trustee of a party;

(ii) is acting as a lawyer or LLLT in the matter;

(iii) is to the member's knowledge likely to be a material witness in the matter;

(d) Remittal of Disqualification. A member disqualified under subsection (c)(1)(C) or (c)(1)(D) may, instead of withdrawing from consideration of the matter, disclose on the record the basis of the disqualification. If, based on such disclosure, the parties and lawyers, independently of the member's participation, all agree in writing or on the record that the member's relationship is immaterial or that the member's economic interest is de minimis, the member is no longer disqualified, and may participate in the matter. If a party is not immediately available, the member may proceed on the assurance of the party's counsel that the party's consent will be subsequently given.

(e) Counsel and Clerk. The Executive Director of the Association, under the direction of the Association's Board of Governors, may appoint a suitable person or persons to act as counsel and Clerk to the Board, to assist the Board and the discipline committee in carrying out their functions under these rules.

(f) Restriction on Representing Respondents. Former members of the Board are subject to the restrictions on representing respondents in rule 2.11(b).

ELLLTC 2.4 DISCIPLINE COMMITTEE

(a) Function. The discipline committee performs the functions provided under these rules, delegated by the Board or the Chair, or necessary and proper to carry out its duties.

(b) Membership. The Chair appoints a discipline committee of three to five members from among the Board members. The Chair may change the appointment of members to the discipline committee as necessary for equitable distribution of work or for other reasons. The Chair does not serve on the discipline committee. The Court may appoint additional non-Board members to the committee as requested by the Chair.

(c) Discipline Committee Chair. The Chair of the Limited License Legal Technician Board designates one member of the discipline committee who is also a member of the Board to act as its chair.

(d) Terms of Office. A Limited License Legal Technician Board member may serve as a discipline committee member as long as the member is on the Board or for other shorter terms as determined by the Chair of the Limited License Legal Technician Board to be appropriate.

(e) Meetings. The discipline committee meets at times and places determined by the discipline committee chair, under the general direction of the Chair of the Limited License Legal Technician Board. In the discipline committee chair's discretion, the committee may meet and act through electronic, telephonic, written, or other means of communication.

ELLLTC 2.5 HEARING OFFICER OR PANEL

(a) Function. A hearing officer or panel to whom a case has been assigned for hearing conducts the hearing and performs other functions as provided under these rules.

(b) Qualifications. A hearing officer must be an active hearing officer in the lawyer discipline system as set forth in rule 2.5 of the Rules for Enforcement of Lawyer Conduct (ELC).

ELLLTC 2.6 HEARING OFFICER CONDUCT

Conduct of Those on Hearing Officer List. The duties and responsibilities imposed on hearing officers by ELC 2.6 apply to hearing officers for LLLT disciplinary proceedings. Additionally, a person on the hearing officer list should not:

- (1) testify voluntarily as a character witness in an LLLT disciplinary proceeding;
- (2) serve as an expert witness related to the professional conduct of LLLTs in any proceeding; or
- (3) serve as respondent's counsel in LLLT disciplinary proceedings.

ELLLTC 2.7 DISCIPLINARY COUNSEL

Association disciplinary counsel appointed under ELC 2.8, or other designated Association staff who are WSBA members, acts as counsel on the Board's behalf on all matters under these rules, and performs other duties as required by these rules. Special disciplinary counsel may be appointed whenever necessary to conduct an individual investigation or proceeding.

ELLLTC 2.8 REMOVAL OF APPOINTEES

The power granted by these rules to any person, committee, or board to make any appointment includes the power to remove the person appointed whenever that person appears unwilling or unable to perform his or her duties, or for any other cause, and to fill the resulting vacancy.

ELLLTC 2.9 COMPENSATION AND EXPENSES

Compensation and expenses of hearing officers will be as prescribed in ELC 2.11.

ELLLTC 2.10 COMMUNICATIONS TO THE BOARD PRIVILEGED

Communications to the Board, discipline committee, Association, Board of Governors, hearing officer, disciplinary counsel, Association staff, or any other individual acting under authority of these rules, are absolutely privileged, and no lawsuit predicated thereon may be instituted against any grievant, witness, or other person providing information.

ELLLTC 2.11 RESPONDENT LIMITED LICENSE LEGAL TECHNICIAN

(a) Right to Representation. An LLLT may be represented by counsel during any stage of an investigation or proceeding under these rules.

(b) Restrictions on Representation of Respondent. A former Chair of the Board or Board member cannot represent a respondent LLLT in any proceeding under these rules until three years after leaving office.

(c) Restriction on Charging Fee To Respond to Grievance. A respondent LLLT may not seek to charge a grievant a fee or recover costs from a grievant for responding to a grievance unless otherwise permitted by these rules.

(d) Medical and Psychological Records. A respondent LLLT must furnish written releases or authorizations to permit disciplinary counsel access to medical, psychiatric, or psychological records as may be relevant to the investigation or proceeding, subject to a motion to the chief hearing officer, or the hearing officer if one has been appointed, to limit the scope of the requested releases or authorizations for good cause shown.

TITLE 3 – ACCESS AND NOTICE

ELLLTC 3.1 OPEN MEETINGS AND PUBLIC DISCIPLINARY INFORMATION

Open Meetings. Disciplinary hearings of the Board are public. Except as otherwise provided in these rules, Supreme Court proceedings are public to the same extent as other Supreme Court proceedings. Deliberations of the Board, the discipline committee, a hearing officer, or court, and matters made confidential by other provisions of these rules, are not public.

(a) Public Disciplinary Information. The public has access to the following information subject to these rules:

- (1) the record before the discipline committee and the order of the discipline committee in any matter that a discipline committee has ordered to hearing or ordered an admonition be issued;
- (2) the record upon distribution to the discipline committee or to the Supreme Court in proceedings based on a conviction of a felony or serious crime, as defined in rule 7.1(a);
- (3) the record upon distribution to the discipline committee or to the Supreme Court in proceedings under rule 7.2;
- (4) the record and order upon approval of a stipulation for discipline imposing a sanction or admonition, and the order approving a stipulation to dismissal of a matter previously made public under these rules;
- (5) the record before a hearing officer;
- (6) the record and order before the Board in any matter reviewed under rule 10.9 or title 11;
- (7) the public file and any exhibits and any Board or discipline committee order in any matter that the Board or the discipline committee has ordered to public hearing, or any matter in which disciplinary action has been taken, or any proceeding under rules 7.1-7.6;
- (8) in any disciplinary matter referred to the Supreme Court, the file, record, briefs, and argument in the case;
- (9) an LLLT's voluntary cancellation in lieu of revocation under rule 9.2; and
- (10) any sanction or admonition imposed on a respondent.

(b) Regulations. Public access to file materials and proceedings permitted by this rule may be subject to reasonable regulation as to time, place, and manner of access. Certified copies of public file documents will be made available at the same rate as certified copies of superior court records. Uncertified copies of public bar file documents will be made available at a rate to be set by the Executive Director of the Association.

ELLLTC 3.2 CONFIDENTIAL DISCIPLINARY INFORMATION

(a) Scope of Confidentiality. All disciplinary materials that are not public information as defined in rule 3.1(b) are confidential, and are held by the Board under the authority of the Supreme Court, including but not limited to information protected by rule 3.3(b), rule 5.1(c)(3), a protective order under rule 3.2(c), rule 3.2(b), court order, or other applicable law (e.g., medical records, police reports, etc.).

(b) Investigative Confidentiality. During the course of an investigation or proceeding, the Chair may direct that otherwise public information be kept confidential if necessary to further the purposes of the investigation. At the conclusion of the proceeding, those materials become public information unless subject to a protective order.

Protective Orders. To protect a compelling interest of a grievant, witness, third party, respondent LLLT, or other participant in an investigation, on motion and for good cause shown, the Board Chair, the chair of the discipline committee to which a matter is assigned, or a hearing officer to whom a matter is assigned may issue a protective order prohibiting the disclosure or release of specific information, documents, or pleadings, and direct that the proceedings be conducted so as to implement the order. Filing a motion for a protective order stays the provisions of this title as to any matter sought to be kept confidential until five days after a ruling is served on the parties. The Board reviews decisions granting or denying a protective order if either the respondent LLLT, Clerk or disciplinary counsel requests a review within five days of service of the decision. On review, the Board may affirm, reverse, or modify the protective order. The Board's decision is not subject to further review. A request for review by the Board stays the provisions of this title as to any matter sought to be kept confidential in that request, and the request itself is confidential until a ruling is issued.

ELLLTC 3.3 APPLICATION TO STIPULATIONS, DISABILITY PROCEEDINGS, AND DIVERSION CONTRACTS

(a) Application to Stipulations. A stipulation under rule 9.1 providing for imposition of a disciplinary sanction or admonition is confidential until approved, except that a grievant may be advised concerning a stipulation and its proposed or actual content at any time. An approved stipulation is public, unless:

- (1) it is approved before the filing of a formal complaint;
- (2) it provides for dismissal of a grievance without a disciplinary sanction or admonition; and
- (3) proceedings have not been instituted for failure to comply with the terms of the stipulation.

(b) Application to Disability Proceedings. Disability proceedings under title 8 are confidential. However, a grievant may be advised that an LLLT against whom the grievant has complained is subject to disability proceedings. The following information is public:

- (1) that an LLLT has been transferred to disability inactive status, or has been reinstated to active status; and
- (2) that a disciplinary proceeding is deferred pending supplemental proceedings under title 8.

(c) Diversion Contracts. Diversion contracts and supporting affidavits and declarations under rules 6.5 and 6.6 are confidential, despite rule 3.1(b)(1), unless admitted into evidence in a disciplinary proceeding following termination of the diversion contract for material breach. When a matter that has previously become public under rule 3.1(b) is diverted by a diversion contract that contract and the supporting documents are confidential but the fact that the matter was diverted from discipline is public information.

ELLLTC 3.4 RELEASE OR DISCLOSURE OF OTHERWISE CONFIDENTIAL INFORMATION

(a) Disclosure of Information. Except as provided in rule 3.2(c), the grievant, respondent LLLT, or any witness may disclose the existence of proceedings under these rules or any documents or correspondence the person received.

(b) Investigative Disclosure. The Board, Clerk, or other Association staff performing duties under these rules may disclose information as necessary to conduct the investigation or to keep a grievant advised of the status of a matter except as prohibited by rule 3.3(b), or 5.1(c)(3), other court order, or other applicable law.

(c) Release Based upon License Legal Technician's Waiver. Upon a written waiver by an LLLT, the Board may release the status of otherwise confidential disciplinary proceedings and provide copies of nonpublic information to any agency that an LLLT authorizes to investigate the LLLT's disciplinary record.

(d) Response to Inquiry or False or Misleading Statement.

(1) The Board, the Chair, the President, the Board of Governors, the Executive Director, or Chief Disciplinary Counsel, or the Director of Regulatory Services or a designee of any of them, may release otherwise confidential information:

(A) to respond to specific inquiries about matters that are in the public domain; or

(B) if necessary to correct a false or misleading public statement.

(2) A respondent must be given notice of a decision to release information under this section unless the Board, the Chair, the President, the Board of Governors, the Executive Director, or the Chief Disciplinary Counsel, or the Director of Regulatory Services finds that notice would jeopardize serious interests of any person or the public or compromise an ongoing investigation.

(e) Discretionary Release. The Chair, the Director of Regulatory Services, the Executive Director or the Chief Disciplinary Counsel may authorize the general or limited release of any confidential information obtained during an investigation when it appears necessary to protect the interests of clients or other persons, the public, or the integrity of the disciplinary process. A respondent must be given notice of a decision to release information under this section before its release unless the Chair, the Director of Regulatory Services, the Executive Director or the Chief Disciplinary Counsel finds that notice would jeopardize serious interests of any person or the public, or that the delay caused by giving the respondent notice would be detrimental to the integrity of the disciplinary process.

(f) Cooperation with Enforcement Authorities. Except as provided in rule 3.2(c), information or testimony may be released to authorities in any jurisdiction authorized to investigate alleged criminal activity, and to the Washington State Department of Financial Institutions, and to the Washington Office of the Insurance Commissioner.

(g) Release to Practice of Law Board. Information obtained in an investigation relating to possible unauthorized practice of law may be released to the Practice of Law Board. Such information shall remain under the control of the Limited License Legal Technician Board and the Practice of Law Board must treat it as confidential unless this title or the Board authorizes release.

ELLLTC 3.5 NOTICE OF DISCIPLINE

(a) Notice to Supreme Court. The Clerk must provide the Supreme Court with:

(1) a copy of any decision imposing a disciplinary sanction when that decision becomes final;

(2) a copy of any admonition, together with the order issuing the admonition, when the admonition is accepted or otherwise becomes final.

(b) Notices of Suspension, Revocation, or Disability Inactive Status. The Board must publish a notice of the revocation, suspension, or transfer to disability inactive status of an LLLT on the Association website. For a transfer to disability inactive status, no reference may be made to the specific disability. The Board may adopt formal publishing policies from time to time as consistent with this rule.

ELLLTC 3.6 MAINTENANCE OF RECORDS

(a) Permanent Records. In any matter in which a disciplinary sanction has been imposed, the public file and transcripts of the proceeding are permanent records. Related file materials, including investigative files, may be maintained in the Clerk's or disciplinary counsel's discretion. Exhibits may be returned to the party supplying them, but copies should be retained where possible.

(b) Destruction of Files. In any matter in which a grievance or investigation has been dismissed without the imposition of a disciplinary sanction, whether following a hearing or otherwise, file materials relating to the matter may be destroyed three years after the dismissal first occurred, and must be destroyed at that time on the respondent LLLT's request unless the files are being used in an ongoing investigation or unless other good cause exists for retention. However, file materials on a matter concluded with an admonition must be retained at least five years after the admonition was issued. If disciplinary counsel or the Clerk opposes a request by a respondent for destruction of files under this rule, the Board rules on that request.

(c) Retention of Docket. If a file on a matter has been destroyed under section (b), the Board may retain a docket record of the matter for statistical purposes only. That docket record must not include the name or other identification of the respondent.

(d) Deceased Limited License Legal Technicians. Records and files relating to a deceased LLLT, including permanent records, may be destroyed at any time in the Clerk's discretion.

TITLE 4 – GENERAL PROCEDURAL RULES

ELLLTC 4.1 SERVICE OF PAPERS

(a) Service Required. Every pleading, every paper relating to discovery, every written request or motion other than one which may be heard ex parte, and every similar paper or document issued by the Board, the Clerk, disciplinary counsel or the respondent LLLT under these rules must be served on the opposing party. If a hearing is pending and a hearing officer has been assigned, except for discovery, the party also must serve a copy on the hearing officer.

(b) Methods of Service.

(1) *Service by Mail.*

(A) Unless personal service is required or these rules specifically provide otherwise, service may be accomplished by postage prepaid mail. If properly made, service by mail is deemed accomplished on the date of mailing and is effective regardless of whether the person to whom it is addressed actually receives it.

(B) Except as provided below, service by mail must be by certified or registered mail, return receipt requested. Service may be by first class mail if:

(i) the parties so agree;

(ii) the document is a notice of dismissal by the Clerk or disciplinary counsel, a notice regarding deferral under rule 5.3(b), or a request for review of any of these notices;

(iii) one or more properly made certified mailings is returned as unclaimed; or

(iv) service is on a hearing officer.

(C) The address for service by mail is as follows:

(i) for the respondent, or his or her attorney of record, the address in the answer, a notice of appearance, or any subsequent document filed by the respondent or his or her attorney; or, in the absence of an answer, the respondent's address on file with the Association;

(ii) for the Board, the Clerk or disciplinary counsel, at the address of the Association or other address that disciplinary counsel requests.

(2) *Service by Delivery.* If service by mail is permitted, service may instead be accomplished by leaving the document at the address for service by mail.

(3) *Personal Service.* Personal service on a respondent is accomplished as follows:

(A) if the respondent is found in Washington State, by personal service in the manner required for personal service of a summons in a civil action in the superior court;

(B) if the respondent cannot be found in Washington State, service may be made either by:

(i) leaving a copy at the respondent's place of usual abode in Washington State with a person of suitable age and discretion then resident therein; or

(ii) mailing by registered or certified mail, postage prepaid, a copy addressed to the respondent at his or her last known place of abode, office address maintained for the practice as an LLLT, post office address, or address on file with the Association.

(C) if the respondent is found outside of Washington State, then by the methods of service described in (A) or (B) above.

(c) Service Where Question of Mental Competence. If a guardian or guardian ad litem has been appointed for a respondent who has been judicially declared to be of unsound mind or

incapable of conducting his or her own affairs, service under sections (a) and (b) above must also be made on the guardian or guardian ad litem.

(d) Proof of Service. If personal service is required, proof of service may be made by affidavit of service, sheriff's return of service, or a signed acknowledgment of service. In other cases, proof of service may also be made by certificate of a lawyer similar to that allowed by CR 5(b)(2)(B), which certificate must state the form of mail used. Proof of service in all cases must be filed but need not be served on the opposing party.

ELLLTC 4.2 FILING; ORDERS

(a) Filing Originals. Except in matters before the Supreme Court, the original of any pleading, motion, or other paper authorized by these rules, other than discovery, must be filed with the Clerk. Filing may be made by first class mail and is deemed accomplished on the date of mailing. Filing of papers for matters before the Supreme Court is governed by the Rules of Appellate Procedure.

(b) Filing and Service of Orders. Any written order, decision, or ruling, except an order of the Supreme Court or an informal ruling issued under rule 10.8(e), must be filed with the Clerk, and the Clerk serves it on the respondent LLLT and disciplinary counsel.

ELLLTC 4.3 PAPERS

All pleadings or other papers must be typewritten or printed, double spaced, on good quality 8½ by 11-inch paper. The use of letter-size copies of exhibits is encouraged if it does not impair legibility.

ELLLTC 4.4 COMPUTATION OF TIME

CR 6(a) and (e) govern the computation of time under these rules.

ELLLTC 4.5 STIPULATION TO EXTENSION OR REDUCTION OF TIME

Except for notices of appeal or matters pending before the Supreme Court, the respondent LLLT and the Board, the Clerk or disciplinary counsel may stipulate in any proceeding to extension or reduction of the time requirements.

ELLLTC 4.6 ENFORCEMENT OF SUBPOENAS

(a) Authority. To enforce subpoenas issued under these rules, the Supreme Court delegates contempt authority to the Superior Courts as necessary for the Superior Courts to act under this rule.

(b) Procedure.

- (1) If a person fails to obey a subpoena, or obeys the subpoena but refuses to testify or produce documents when requested, disciplinary counsel, the respondent LLLT or the person issuing the subpoena may petition the Superior Court of the county where the hearing is being conducted, where the subpoenaed person resides or is found, or where the subpoenaed documents are located, for enforcement of the subpoena. The petition must:
 - (A) be accompanied by a copy of the subpoena and proof of service;
 - (B) state the specific manner of the lack of compliance; and
 - (C) request an order compelling compliance.
- (2) Upon the filing of the petition, the Superior Court enters an order directing the person to

appear before it at a specified time and place to show cause why the person has not obeyed the subpoena or has refused to testify or produce documents. A copy of the Superior Court's show cause order must be served on the person.

- (3) At the show cause hearing, if it appears to the Superior Court that the subpoena was properly issued, and that the particular questions the person refused to answer or the requests for production of documents were reasonable and relevant, the Superior Court enters an order requiring the person to appear at a specified time and place and testify or produce the required documents. On failing to obey this order, the person is dealt with as for contempt of court.

TITLE 5 – GRIEVANCE INVESTIGATIONS AND DISPOSITION

ELLLTC 5.1 GRIEVANTS

(a) **Filing of Grievance.** Any person or entity may file a grievance against an LLLT licensed in this state.

(b) **Consent to Disclosure.** By filing a grievance, the grievant consents to disclosure of the content of the grievance to the respondent LLLT or to any other person contacted during the investigation of the grievance, or to any person under rules 3.1 – 3.4, unless a protective order is issued under rule 3.2(c) or the grievance was filed under rule 5.2. By filing a grievance, the grievant also agrees that the respondent may disclose to the Clerk or disciplinary counsel investigating the grievance any information relevant to the investigation, unless a protective order is issued under rule 3.2(c).

(c) **Grievant Rights.** A grievant has the following rights:

- (1) to be advised promptly of the receipt of the grievance, and of the name, address, and office phone number of the person assigned to its investigation if such an assignment is made;
- (2) to have a reasonable opportunity to speak with the person assigned to the grievance, by telephone or in person, about the substance of the grievance or its status;
- (3) to receive a copy of any response submitted by the respondent, except:
 - (A) if the response contains information of a personal and private nature about the respondent; or
 - (B) if the discipline committee determines that the interests of justice would be better served by not releasing the response;
- (4) to submit additional supplemental written information or documentation at any time;
- (5) to attend any hearing conducted into the grievance, subject to these rules and any protective order issued under rule 3.2(c);
- (6) to provide relevant testimony at any hearing conducted into the grievance, subject to these rules and any protective order issued under rule 3.2(c);
- (7) to be notified of any proposed decision to refer the respondent to diversion and to be given a reasonable opportunity to submit to the Clerk or disciplinary counsel a written comment thereon;
- (8) to be advised of the disposition of the grievance; and
- (9) to request reconsideration of a dismissal of the grievance as provided in rule 5.6(b).

(d) **Grievant Duties.** A grievant must do the following, or the grievance may be dismissed:

- (1) give the person assigned to the grievance documents or other evidence in his or her possession, and witnesses' names and addresses;
- (2) assist in securing relevant evidence; and
- (3) appear and testify at any hearing resulting from the grievance.

ELLLTC 5.2 CONFIDENTIAL SOURCES

If a person files a grievance or provides information to the Clerk, disciplinary counsel or the Board about an LLLT's possible misconduct or disability, and asks to be treated as a confidential source, an investigation may be conducted in the Board's name. The confidential source has neither the rights nor the duties of a grievant. Unless otherwise ordered, the person's identity may not be disclosed, either during the investigation or in subsequent formal proceedings. If the respondent requests disclosure of the person's identity, the Chair, the

chair of the discipline committee, or a hearing officer before whom a matter is pending examines disciplinary counsel and any requested documents or file materials in camera without the presence of the respondent or respondent's counsel and may order disciplinary counsel or the Clerk to reveal the identity to the respondent if doing so appears necessary for the respondent to conduct a proper defense in the proceeding.

ELLTTC 5.3 INVESTIGATION OF GRIEVANCE

(a) Review and Investigation. The chair of the discipline committee or the chair's designee must review and may refer for investigation by the Clerk or disciplinary counsel any alleged or apparent misconduct by an LLLT and any alleged or apparent incapacity of an LLLT to practice as an LLLT whether the chair of the discipline committee learns of the misconduct by grievance or otherwise. If there is no grievant, the chair of the discipline committee may refer the matter to the Board with a request that the Board open a grievance in the Board's name.

(b) Deferral.

- (1) An investigation into alleged acts of misconduct by an LLLT may be deferred by the chair of the discipline committee or disciplinary counsel, with the approval of the chair of the discipline committee:
 - (A) if it appears that the allegations are related to pending civil or criminal litigation;
 - (B) if it appears that the respondent LLLT is physically or mentally unable to respond to the investigation; or
 - (C) for other good cause, if it appears that the deferral will not endanger the public.
- (2) The Clerk or disciplinary counsel must inform the grievant and respondent of a decision to defer or a denial of a request to defer and of the procedure for requesting review. A grievant or respondent may request review of a decision on deferral. If review is requested, the Clerk or disciplinary counsel refers the matter to the discipline committee for reconsideration of the decision on deferral. To request review, the grievant or respondent must deliver or deposit in the mail a request for review to the Board no later than 45 days after the Clerk mails the notice regarding deferral.

(c) Dismissal of Grievance Not Required. None of the following alone requires dismissal of a grievance: the unwillingness of a grievant to continue the grievance, the withdrawal of the grievance, a compromise between the grievant and the respondent, or restitution by the respondent.

(d) Duty To Furnish Prompt Response. Any LLLT must promptly respond to any inquiry or request made under these rules for information relevant to grievances or matters under investigation. Upon inquiry or request, any LLLT must:

- (1) furnish in writing, or orally if requested, a full and complete response to inquiries and questions;
- (2) permit inspection and copying of the LLLT's business records, files, and accounts;
- (3) furnish copies of requested records, files, and accounts;
- (4) furnish written releases or authorizations if needed to obtain documents or information from third parties; and
- (5) comply with discovery conducted under rule 5.5.

(e) Failure To Cooperate.

- (1) *Noncooperation Deposition.* If an LLLT has not complied with any request made under section (d) or rule 2.11(d) for more than 30 days, the Clerk or disciplinary counsel may notify the LLLT that failure to comply within ten days may result in the LLLT deposition or subject the LLLT to interim suspension under rule 7.2. Ten days

after this notice, disciplinary counsel may serve the LLLT with a subpoena for a deposition. Any deposition conducted after the ten-day period and necessitated by the LLLT's continued failure to cooperate may be conducted at any place in Washington State.

(2) *Costs and Expenses.*

(A) Regardless of the underlying grievance's ultimate disposition, an LLLT who has been served with a subpoena under this rule is liable for the actual costs of the deposition, including but not limited to service fees, court reporter fees, travel expenses, and the cost of transcribing the deposition, if ordered by disciplinary counsel. In addition, an LLLT who has been served with a subpoena for a deposition under this rule is liable for a reasonable attorney fee of \$500.

(B) The procedure for assessing costs and expenses is as follows:

(i) Disciplinary counsel applies to the discipline committee by itemizing the cost and expenses and stating the reasons for the deposition.

(ii) The LLLT has ten days to respond to disciplinary counsel's application.

(iii) The discipline committee by order assesses appropriate costs and expenses.

(iv) Rule 13.9(e) governs Board review of the discipline committee order.

(3) *Grounds for Discipline.* An LLLT's failure to cooperate fully and promptly with an investigation as required by section (d) or rule 2.11(d) is also grounds for discipline.

ELLLTC 5.4 PRIVILEGES

Privilege Against Self-Incrimination. An LLLT's duty to cooperate is subject to the LLLT's privilege against self-incrimination, where applicable.

ELLLTC 5.5 DISCOVERY BEFORE FORMAL COMPLAINT

(a) **Procedure.** Before filing a formal complaint, disciplinary counsel or the Clerk may depose either a respondent LLLT or a witness, or issue requests for admission to the respondent. To the extent possible, CR 30 or 31 applies to depositions under this rule. CR 36 governs requests for admission.

(b) **Subpoenas for Depositions.** Disciplinary counsel or the Clerk may issue subpoenas to compel the respondent's or a witness's attendance, or the production of books, documents, or other evidence, at a deposition. Subpoenas must be served as in civil cases in the superior court and may be enforced under rule 4.6.

(c) **Cooperation.** Every LLLT must promptly respond to discovery requests from disciplinary counsel or the Clerk.

ELLLTC 5.6 DISPOSITION OF GRIEVANCE

(a) **Dismissal.** The Chair of the discipline committee or disciplinary counsel with the approval of the chair of the discipline committee may dismiss grievances with or without investigation. On dismissal, the Clerk or disciplinary counsel must notify the grievant of the procedure for review in this rule.

(b) **Review of Dismissal.** A grievant may request review of dismissal of the grievance by delivering or depositing in the mail a request for review to the Clerk no later than 45 days after the Clerk mails the notice of dismissal. Mailing requires postage prepaid first class mail. If review is requested, the chair of the discipline committee may either reopen the matter for investigation or refer it to the discipline committee.

(c) **Report in Other Cases.** The Clerk or disciplinary counsel must report to the discipline committee the results of investigations except those dismissed or diverted.

(d) **Authority on Review.** In reviewing grievances under this rule, the discipline committee may:

- (1) affirm the dismissal;
- (2) issue an advisory letter under rule 5.7;
- (3) issue an admonition under rule 13.5;
- (4) order a hearing on the alleged misconduct; or
- (5) order further investigation as may appear appropriate.

ELLLTC 5.7 ADVISORY LETTER

An advisory letter may be issued when a hearing does not appear warranted but it appears appropriate to caution a respondent LLLT concerning his or her conduct. An advisory letter may be issued by the discipline committee but may not be issued when a grievance is dismissed following a hearing. An advisory letter does not constitute a finding of misconduct, is not a sanction, is not disciplinary action, and is not public information.

TITLE 6 – DIVERSION

ELLLTC 6.1 REFERRAL TO DIVERSION

In a matter involving less serious misconduct as defined in rule 6.2, before filing a formal complaint, disciplinary counsel or the Clerk may refer a respondent LLLT to diversion. Diversion may include

- arbitration;
- mediation;
- psychological and behavioral counseling;
- monitoring;
- restitution;
- continuing education programs; or
- any other program or corrective course of action agreed to by disciplinary counsel and respondent to address respondent's misconduct.

Disciplinary counsel or the Clerk may negotiate and execute diversion contracts, monitor and determine compliance with the terms of diversion contracts, and determine fulfillment or any material breach of diversion contracts, subject to review under rule 6.9.

ELLLTC 6.2 LESS SERIOUS MISCONDUCT

Less serious misconduct is conduct not warranting a sanction restricting the respondent LLLT's license to practice as an LLLT. Conduct is not ordinarily considered less serious misconduct if any of the following considerations apply:

- (A) the misconduct involves the misappropriation of funds;
- (B) the misconduct results in or is likely to result in substantial prejudice to a third person, absent adequate provisions for restitution;
- (C) the respondent has been sanctioned in the last three years;
- (D) the misconduct is of the same nature as misconduct for which the respondent has been sanctioned or admonished in the last five years;
- (E) the misconduct involves dishonesty, deceit, fraud, or misrepresentation;
- (F) the misconduct constitutes a "serious crime" as defined in rule 7.1(a); or
- (G) the misconduct is part of a pattern of similar misconduct.

ELLLTC 6.3 FACTORS FOR DIVERSION

Disciplinary counsel or the Clerk considers the following factors in determining whether to refer a respondent LLLT to diversion:

- (A) whether participation in diversion is likely to improve the respondent's future professional conduct and accomplish the goals of LLLT discipline;
- (B) whether aggravating or mitigating factors exist; and
- (C) whether diversion was already tried.

ELLLTC 6.4 NOTICE TO GRIEVANT

As provided in rule 5.1(c)(7), disciplinary counsel or the Clerk must notify the grievant, if any, of the proposed decision to refer the respondent LLLT to diversion, and must give the grievant a reasonable opportunity to submit written comments. The grievant must be notified when the grievance is diverted and when the grievance is dismissed on completion of diversion. Such decisions to divert or dismiss are not appealable.

ELLLTC 6.5 DIVERSION CONTRACT

(a) **Negotiation.** Disciplinary counsel or the Clerk and the respondent LLLT negotiate a diversion contract, the terms of which are tailored to the individual circumstances.

(b) **Required Terms.** A diversion contract must:

- (1) be signed by the respondent and disciplinary counsel or the Clerk;
- (2) set forth the terms and conditions of the plan for the respondent and, if appropriate, identify the use of a practice monitor and/or a recovery monitor and the monitor's responsibilities. If a recovery monitor is assigned, the contract must include respondent's limited waiver of confidentiality permitting the recovery monitor to make appropriate disclosures to fulfill the monitor's duties under the contract;
- (3) provide for oversight of fulfillment of the contract terms. Oversight includes reporting any alleged breach of the contract to disciplinary counsel or the Clerk;
- (4) provide that the respondent will pay all costs incurred in connection with the contract. The contract may also provide that the respondent will pay the costs associated with the grievances to be deferred; and
- (5) include a specific acknowledgment that a material violation of a term of the contract renders the respondent's participation in diversion voidable by disciplinary counsel or the Clerk.

(c) **Amendment.** The contract may be amended on agreement of the respondent and disciplinary counsel or the Clerk.

ELLLTC 6.6 AFFIDAVIT SUPPORTING DIVERSION

A diversion contract must be supported by the respondent LLLT's affidavit or declaration as approved by disciplinary counsel or the Clerk setting forth the respondent's misconduct related to the grievance or grievances to be deferred under this title. If the diversion contract is terminated due to a material breach, the affidavit or declaration is admissible into evidence in any ensuing disciplinary proceeding. Unless so admitted, the affidavit or declaration is confidential and must not be provided to the grievant or any other individual outside the Clerk and the Office of Disciplinary Counsel, but may be provided to the discipline committee or the Board considering the grievance.

ELLLTC 6.7 EFFECT OF NON-PARTICIPATION IN DIVERSION

The respondent LLLT has the right to decline the offer to participate in diversion. If the respondent chooses not to participate, the matter proceeds as though no referral to diversion had been made.

ELLLTC 6.8 STATUS OF GRIEVANCE

After a diversion contract is executed by the respondent LLLT and disciplinary counsel or the Clerk, the disciplinary grievance is deferred pending successful completion of the contract.

ELLLTC 6.9 TERMINATION OF DIVERSION

(a) **Fulfillment of the Contract.** The contract terminates when the respondent LLLT has fulfilled the terms of the contract and gives disciplinary counsel or the Clerk an affidavit or declaration demonstrating fulfillment. Upon receipt of this affidavit or declaration, disciplinary counsel or the Clerk must acknowledge receipt and either dismiss any

grievances deferred pending successful completion of the contract or notify the respondent that fulfillment of the contract is disputed. The grievant cannot appeal the dismissal. Successful completion of the contract is a bar to any further disciplinary proceedings based on the same allegations.

- (b) **Material Breach.** A material breach of the contract is cause for termination of the diversion. After a material breach, disciplinary counsel or the Clerk must notify the respondent of termination from diversion and disciplinary proceedings may be instituted, resumed, or reinstated.
- (c) **Review by the Chair of Discipline Committee.** The chair of the discipline committee may review disputes about fulfillment or material breach of the terms of the contract on the request of the respondent, the Clerk or disciplinary counsel. The request must be filed with the Board within 15 days of notice to the respondent of the determination for which review is sought. Determinations by the chair of the discipline committee under this section are not subject to further review and are not reviewable in any proceeding.

TITLE 7 – INTERIM PROCEDURES

ELLLTC 7.1 INTERIM SUSPENSION FOR CONVICTION OF A CRIME

(a) Definitions.

- (1) "Conviction" for the purposes of this rule occurs upon entry of a plea of guilty, unless the defendant affirmatively shows that the plea was not accepted or was withdrawn, or upon entry of a finding or verdict of guilty, unless the defendant affirmatively shows that judgment was arrested or a new trial granted.
- (2) "Serious crime" includes any:
 - (A) felony;
 - (B) crime a necessary element of which, as determined by its statutory or common law definition, includes any of the following:
 - interference with the administration of justice;
 - false swearing;
 - misrepresentation;
 - fraud;
 - deceit;
 - bribery;
 - extortion;
 - misappropriation; or
 - theft; or
 - (C) attempt, or a conspiracy, or solicitation of another, to commit a "serious crime".

(b) Procedure upon Conviction.

- (1) If an LLLT is convicted of a felony, disciplinary counsel must file a formal complaint regarding the conviction. Disciplinary counsel must also petition the Supreme Court for an order suspending the respondent LLLT during the pendency of disciplinary proceedings. The petition for suspension may be filed before the formal complaint.
- (2) If an LLLT is convicted of a crime that is not a felony but that reflects directly on the LLLT's honesty, trustworthiness or fitness as an LLLT in other respects, disciplinary counsel may refer the matter to the discipline committee to determine whether the crime is a serious crime. If so, disciplinary counsel proceeds in the same manner as for a felony.
- (3) If an LLLT is convicted of a crime that is neither a felony nor a serious crime, the discipline committee considers a report of the conviction in the same manner as any other report of possible misconduct by an LLLT.

(c) Petition. A petition to the Supreme Court for suspension under this rule must include a copy of any available document establishing the fact of conviction. If the crime is not a felony, the petition must also include a copy of the discipline committee order finding that the crime is a serious crime. Disciplinary counsel may also include additional facts, statements, arguments, affidavits, and documents in the petition. A copy of the petition must be personally served on the respondent, and proof of service filed with the Court.

(d) Immediate Interim Suspension. Upon the filing of a petition for suspension under this rule, the Court determines whether the crime constitutes a serious crime as defined in section (a).

- (1) If the crime is a felony, the Court must enter an order immediately suspending the respondent's LLLT license.
- (2) If the crime is not a felony, the Court conducts a show cause proceeding under rule 7.2(b)

to determine if the crime is a serious crime. If the Court determines the crime is a serious crime, the Court must enter an order immediately suspending the respondent's LLLT license. If the Court determines that the crime is not a serious crime, upon being so advised, the Association processes the matter as it would any other grievance.

- (3) If suspended, the respondent must comply with Title 14.
- (4) Suspension under this rule occurs:
 - (A) whether the conviction was under a law of this state, any other state, or the United States;
 - (B) whether the conviction was after a plea of guilty, nolo contendere, not guilty, or otherwise; and
 - (C) regardless of the pendency of an appeal.

(e) Duration of Suspension. A suspension under this rule must terminate when the disciplinary proceeding is fully completed, after appeal or otherwise.

(f) Termination of Suspension.

- (1) *Petition and Response.* A respondent may at any time petition the Board to recommend termination of an interim suspension. Disciplinary counsel may file a response to the petition. The Chair may direct disciplinary counsel to investigate as appears appropriate.
- (2) *Board Recommendation.* If either party requests, the Board must hear oral argument on the petition at a time and place and under terms as the Chair directs. The Board may recommend termination of a suspension only if the Board makes an affirmative finding of good cause to do so. There is no right of appeal from a Board decision declining to recommend termination of a suspension.
- (3) *Court Action.* The Court determines the procedure for its consideration of a recommendation to terminate a suspension.

(g) Notice of Dismissal to Supreme Court. If disciplinary counsel has filed a petition for suspension under this rule, and the disciplinary proceedings based on the criminal conviction are dismissed, the Supreme Court must be provided a copy of the decision granting dismissal whether or not the respondent is suspended at the time of dismissal.

ELLTTC 7.2 INTERIM SUSPENSION IN OTHER CIRCUMSTANCES

(a) Types of Interim Suspension.

- (1) *Discipline Committee Finding of Risk to Public.* Disciplinary counsel may petition the Supreme Court for an order suspending the respondent LLLT during the pendency of any proceeding under these rules if:
 - (A) it appears that a respondent's continued practice as an LLLT poses a substantial threat of serious harm to the public; and
 - (B) the discipline committee recommends an interim suspension.
- (2) *Board Recommendation for Revocation.* When the Board enters a decision recommending revocation, disciplinary counsel must file a petition for the respondent's suspension during the remainder of the proceedings. The respondent must be suspended absent an affirmative showing that the respondent's continued practice as an LLLT will not be detrimental to the administration of justice or be contrary to the public interest. If the Board's decision is not appealed and becomes final, the petition need not be filed, or if filed may be withdrawn.
- (3) *Failure To Cooperate with Investigation.* When any LLLT fails without good cause to comply with a request under rule 5.3(e) for information or documents, or with a subpoena issued under rule 5.3(e), or fails to comply with disability proceedings as specified in rule

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8.2(d), disciplinary counsel may petition the Court for an order suspending the LLLT pending compliance with the request or subpoena. If the LLLT complies with the request or subpoena, the LLLT may petition the Court to terminate the suspension on terms the Court deems appropriate.

(b) Procedure.

- (1) *Petition.* A petition to the Court under this rule must set forth the acts of the LLLT constituting grounds for suspension, and if filed under subsection (a)(2) must include a copy of the Board's decision. The petition may be supported by documents or affidavits. The Board must serve the petition by mail on the day of filing. In addition, a copy of the petition must be personally served on the LLLT no later than the date of service of the show cause order.
- (2) *Show Cause Order.* Upon filing of the petition, the Chief Justice orders the LLLT to appear before the Court on a date set by the Chief Justice, and to show cause why the petition for suspension should not be granted. Disciplinary counsel must have a copy of the order to show cause personally served on the LLLT at least ten days before the scheduled show cause hearing. Subsection (b)(5) notification requirements must be included in the show cause order.
- (3) *Answer to Petition.* The LLLT may answer the petition. An answer may be supported by documents or affidavits. Failure to answer does not result in default or waive the right to appear at the show cause hearing.
- (4) *Filing of Answer.* A copy of any answer must be filed with both the Court and disciplinary counsel by the date specified in the show cause order, which will be at least five days before the scheduled show cause hearing.
- (5) *Notification.* The LLLT must inform the court no less than 7 days prior to the show cause hearing whether the LLLT will appear for the show cause hearing, or the hearing will be stricken and the Court will decide the matter without oral argument.
- (6) *Application of Other Rules.* If the Court enters an order suspending the LLLT, the rules relating to suspended LLLTs, including Title 14, apply.

ELLTTC 7.3 AUTOMATIC SUSPENSION WHEN RESPONDENT ASSERTING INCAPACITY

When a respondent LLLT asserts incapacity to conduct a proper defense to disciplinary proceedings, upon receipt of appropriate documentation of the assertion, the respondent must be suspended on an interim basis by the Supreme Court pending the conclusion of the disability proceedings. However, if the hearing officer in the supplemental proceeding files a decision that the respondent is not incapacitated, on petition of either party, the Court may terminate the interim suspension.

ELLTTC 7.4 STIPULATION TO INTERIM SUSPENSION

At any time a respondent LLLT and disciplinary counsel may stipulate that the respondent be suspended during the pendency of any investigation or proceeding because of conviction of a serious crime, or a substantial threat of serious harm to the public. A stipulation must state the factual basis for the stipulation and be submitted directly to the Supreme Court for expedited consideration. Stipulations under this rule are public upon filing with the Court, but the Court may order that supporting materials are confidential. Either party may petition the Court to terminate the interim suspension, and on a showing that the cause for the interim

suspension no longer exists, the Court may terminate the suspension.

ELLLTC 7.5 INTERIM SUSPENSIONS EXPEDITED

(a) Expedited Review. Petitions seeking interim suspension under this title receive an expedited hearing, ordinarily no later than 14 days from issuance of an order to show cause.

(b) Procedure During Court Recess. When a petition seeking interim suspension under this title is filed during a recess of the Supreme Court, the Chief Justice, the Acting Chief Justice, or the Senior Justice under SAR 10, subject to review by the full Court on motion for reconsideration, may rule on the motion for interim suspension.

ELLLTC 7.6 EFFECTIVE DATE OF INTERIM SUSPENSIONS

Interim suspensions become effective on the date of the Supreme Court's order unless the order provides otherwise.

TITLE 8 – DISABILITY PROCEEDINGS

ELLLTC 8.1 ACTION ON ADJUDICATION OF INCOMPETENCY

(a) **Grounds.** The Board must automatically transfer an LLLT from active to disability inactive membership status upon receipt of a certified copy of the judgment, order, or other appropriate document demonstrating that the LLLT:

- (1) was found to be incapable of assisting in his or her own defense in a criminal action;
- (2) was acquitted of a crime based on insanity;
- (3) had a guardian (but not a limited guardian) appointed for his or her person or estate on a finding of incompetency; or

(b) **Notice to LLLT.** The Board must forthwith notify the disabled LLLT and his or her guardian, if one has been appointed, of the transfer to disability inactive status. The Association must also notify the Supreme Court of the transfer and provide a copy of the judgment, order, or other appropriate document on which the transfer was based.

ELLLTC 8.2 DETERMINATION OF INCAPACITY TO PRACTICE AS AN LLLT

(a) **Discipline Committee May Order Hearing.** The Clerk or disciplinary counsel reports to the discipline committee on investigations into an active, suspended, or inactive respondent LLLT's mental or physical capacity to practice as an LLLT. The committee orders a hearing if it appears there is reasonable cause to believe that the respondent does not have the mental or physical capacity to practice as an LLLT. In other cases, the committee may direct further investigation as appears appropriate or dismiss the matter.

(b) **Not Disciplinary Proceedings.** Proceedings under this rule are not disciplinary proceedings.

(c) **Procedure.**

- (1) *Applicable Rules.* Proceedings under this rule are conducted under the procedural rules for disciplinary proceedings.
- (2) *Appointment of Counsel.* If counsel for the respondent does not appear within the time for filing an answer, the Chair must appoint a member of the Association as counsel for the respondent.
- (3) *Health Records.* After a review committee orders a hearing under this rule, disciplinary counsel may require the respondent to furnish written releases and authorizations for medical, psychological, or psychiatric records as may be relevant to the inquiry, subject to a motion to the hearing officer, or if no hearing officer has been appointed, to the chief hearing officer, to limit the scope of the requested releases or authorizations for good cause.
- (4) *Examination.* Upon motion, the hearing officer, or if no hearing officer has been appointed, the chief hearing officer as defined in ELC 2.5(f), may order an examination by a physician of the respondent's physical condition or by a mental health professional (as defined by RCW 71.05.020) of the respondent's mental condition to assist in determining the respondent's capacity to practice as an LLLT. Unless waived by the parties, the examiner must submit a report of the examination, including the results of any tests administered and any diagnosis, to the hearing officer, disciplinary counsel, and the respondent.
- (5) *Hearing Officer Recommendation.* If the hearing officer or panel finds that the respondent does not have the mental or physical capacity to practice as an LLLT,

the hearing officer or panel must recommend that the respondent be transferred to disability inactive status.

- (6) *Appeal Procedure.* The procedures for appeal and review of suspension recommendations apply to recommendations for transfer to disability inactive status.
- (7) *Transfer Following Board Review.* If, after review of the decision of the hearing officer or panel, the Board finds that the respondent does not have the mental or physical capacity to practice as an LLLT, it must enter an order immediately transferring the respondent to disability inactive status. The transfer is effective upon service of the order under rule 4.1.

(d) Interim Suspension.

- (1) When the discipline committee orders a hearing on the capacity of a respondent to practice as an LLLT, disciplinary counsel must petition the Supreme Court for the respondent's interim suspension under rule 7.2(a) unless the respondent is already suspended on an interim basis.
- (2) Even if the Court previously denied a petition for interim suspension under subsection (d)(1), disciplinary counsel may petition the Court for the interim suspension of a respondent under rule 7.2(a)(3) if the respondent fails:
 - (A) to appear for an independent examination under this rule;
 - (B) to waive health care provider-patient privilege as required by this rule; or
 - (C) to appear at a hearing under this rule.

(e) Termination of Interim Suspension. If the hearing officer or panel files a decision recommending that a respondent placed on interim suspension under this rule not be transferred to disability inactive status, upon either party's petition, the Court may terminate the interim suspension.

ELLLTC 8.3 DISABILITY PROCEEDINGS DURING THE COURSE OF DISCIPLINARY PROCEEDINGS

(a) Supplemental Proceedings on Capacity To Defend. A hearing officer or hearing panel, or chief hearing officer if no hearing officer has been appointed, must order a supplemental proceeding on the respondent LLLT's capacity to defend the disciplinary proceedings if the respondent asserts, or there is reasonable cause to believe, that the respondent is incapable of properly defending the disciplinary proceeding because of mental or physical incapacity.

(b) Purpose of Supplemental Proceedings. In a supplemental proceeding, the hearing officer or panel determines if the respondent:

- (1) is incapable of defending himself or herself in the disciplinary proceedings because of mental or physical incapacity;
- (2) is incapable, because of mental or physical incapacity, of defending against the disciplinary charges without the assistance of counsel; or
- (3) is currently unable to practice as an LLLT because of mental or physical incapacity.

(c) Not Disciplinary Proceedings. Proceedings under this rule are not disciplinary proceedings.

(d) Procedure for Supplemental Proceedings.

- (1) *Applicable Rules.* Proceedings under this rule are conducted under the procedural rules for disciplinary proceedings.
- (2) *Deferral of Disciplinary Proceedings.* The disciplinary proceedings are deferred pending the outcome of the supplemental proceeding.
- (3) *Appointment of Counsel.* If counsel for the respondent does not appear within 20 days of

notice to the respondent of the issues to be considered in a supplemental proceeding under this rule, or within the time for filing an answer, the Chair must appoint a member of the Association as counsel for the respondent in the supplemental proceedings.

- (4) *Health Records.* Disciplinary counsel may require the respondent to furnish written releases and authorizations for medical, psychological, or psychiatric records as may be relevant to the determination under section (b), subject to a motion to the hearing officer to limit the scope of the requested releases or authorizations for good cause. If the respondent asserted incapacity, there is a rebuttable presumption that good cause does not exist.
- (5) *Examination.* Upon motion, the hearing officer may order an examination by a physician of the respondent's physical condition or by a mental health professional (as defined by RCW 71.05.020) of the respondent's mental condition to assist in the determinations to be made under section (b). Unless waived by the parties, the examiner must submit a report of the examination, including the results of any tests administered and any diagnosis, to the hearing officer, disciplinary counsel, and the respondent.
- (6) *Failure To Appear or Cooperate.* If the respondent fails to appear for an independent examination, fails to waive health care provider-patient privilege as required in these rules, or fails to appear at the hearing, the following procedures apply:
 - (A) If the Association has the burden of proof, the hearing officer must hold a hearing and, if presented with sufficient evidence to determine incapacity, order the respondent transferred to disability inactive status. If there is insufficient evidence to determine incapacity, the hearing officer must enter an order terminating the supplemental proceedings and reinstating the disciplinary proceedings. A respondent who does not appear at the hearing may move to vacate the order of transfer under rule 10.6(c).
 - (B) If the respondent has the burden of proof, the hearing officer must enter an order terminating the supplemental proceedings and resuming the disciplinary proceedings.
- (7) *Hearing Officer Decision.*
 - (A) Capacity To Defend and practice as an LLLT. If the hearing officer or panel finds that the respondent is capable of defending himself or herself and has the mental and physical capacity to practice as an LLLT, the disciplinary proceedings resume.
 - (B) Capacity To Defend with Counsel. If the hearing officer or panel finds that the respondent is not capable of defending himself or herself in the disciplinary proceedings but is capable of adequately assisting counsel in the defense, the supplemental proceedings are dismissed and the disciplinary proceedings resume. If counsel does not appear on behalf of the respondent within 20 days of service of the hearing officer's decision, the Chair must appoint a member of the Association as counsel for the respondent in the disciplinary proceeding.
 - (C) Finding of Incapacity. If the hearing officer or panel finds that the respondent either does not have the mental or physical capacity to practice as an LLLT, or is incapable of assisting counsel in properly defending a disciplinary proceeding because of mental or physical incapacity, the hearing officer or panel must recommend that the respondent be transferred to disability inactive status. The procedures for appeal and review of suspension recommendations apply to recommendations for transfer to disability inactive status.
- (8) *Transfer Following Board Review.*

- (A) The Board must enter an order immediately transferring the respondent to disability inactive status if after review of a hearing officer's or panel's recommendation of transfer to disability inactive status, the Board finds that the respondent:
 - (i) does not have the mental or physical capacity to practice as an LLLT; or
 - (ii) is incapable of assisting counsel in properly defending a disciplinary proceeding because of mental or physical incapacity.

(B) The transfer is effective upon service of the order on the respondent under rule 4.1.

(e) **Interim Suspension.** When supplemental proceedings have been ordered, disciplinary counsel must petition the Supreme Court for the respondent's interim suspension under rule 7.2(a)(1) or seek automatic suspension under rule 7.3 unless the respondent is already suspended on an interim basis.

ELLLTC 8.4 APPEAL OF TRANSFER TO DISABILITY INACTIVE STATUS

The respondent LLLT may appeal an order of transfer to disability inactive status by filing a request for the Court to review the record and order in the same manner as review by the Court under rule 12.1. The Board's order remains in effect, regardless of the pendency of an appeal, unless and until reversed by the Supreme Court.

ELLLTC 8.5 STIPULATED TRANSFER TO DISABILITY INACTIVE STATUS

(a) **Requirements.** At any time a respondent LLLT and disciplinary counsel may stipulate to the transfer of the respondent to disability inactive status under this title. The respondent and disciplinary counsel must sign the stipulation.

(b) **Form.** The stipulation must:

- (1) state with particularity the nature of the respondent's incapacity to practice as an LLLT and the nature of any pending disciplinary proceedings that will be deferred as a result of the respondent's transfer to disability inactive status;
- (2) state that it is not binding on the Association as a statement of all existing facts relating to the professional conduct of the respondent and that any additional existing facts may be proved in a subsequent disciplinary proceeding; and
- (3) fix the amount of costs and expenses to be paid by the respondent.

(c) **Approval.** The stipulation must be presented to the Board. The Board reviews the stipulation based solely on the record agreed to by the respondent and disciplinary counsel. The Board may either approve the stipulation or reject it. Upon approval, the transfer to disability inactive status is not subject to further review.

(d) **Stipulation Not Approved.** If the stipulation is rejected by the Board, the stipulation has no force or effect and neither it nor the fact of its execution is admissible in any pending or subsequent disciplinary proceeding or in any civil or criminal action.

ELLLTC 8.6 COSTS IN DISABILITY PROCEEDINGS

When reviewing a matter under this title, the Board may authorize disciplinary counsel to seek assessment of the costs and expenses against the respondent LLLT. If the Board authorizes, disciplinary counsel may file a statement of costs within 20 days of service of the Board's order. Rule 13.9 governs assessment of these costs and expenses. The respondent LLLT is not required to pay the costs and expenses until 90 days after reinstatement to active status, or as

otherwise approved by the Board.

ELLLTC 8.7 BURDEN AND STANDARD OF PROOF

In proceedings under rules 8.2 or 8.3, the party asserting or alleging the incapacity has the burden of establishing it by a preponderance of the evidence. If the issue of incapacity is raised by a hearing officer or panel, the Association has the burden of proof.

ELLLTC 8.8 REINSTATEMENT TO ACTIVE STATUS

(a) Right of Petition and Burden. A respondent LLLT transferred to disability inactive status may resume active status only by Board or Supreme Court order. Any respondent transferred to disability inactive status may petition the Board for transfer to active status. The respondent has the burden of showing that the disability has been removed.

(b) Petition. The petition for reinstatement must:

- (1) state facts demonstrating that the disability has been removed;
- (2) include the name and address of each psychiatrist, psychologist, physician, or other person and each hospital or other institution by whom or in which the respondent has been examined or treated since the transfer to disability inactive status; and
- (3) be filed with the Clerk and served on disciplinary counsel.

(c) Waiver of Privilege. The filing of a petition for reinstatement to active status by a respondent transferred to disability inactive status waives any privilege as to treatment of any medical, psychological, or psychiatric condition during the period of disability. The respondent must furnish, if requested by the Board or disciplinary counsel, written consent to each treatment provider to divulge information and records relating to the disability.

(d) Initial Review by Chair. The Chair reviews the petition and any response by disciplinary counsel and directs appropriate action to determine whether the disability has been removed, including investigation by disciplinary counsel or any other person or an examination by a physician of the respondent's physical condition or by a mental health professional (as defined by RCW 71.05.020) of the respondent's mental condition.

(e) Board Review.

- (1) The respondent must have a reasonable opportunity to review any reports of investigations or examinations ordered by the Chair and submit additional materials before the matter is submitted to the Board.
- (2) On submission, the Board reviews the petition and any reports as expeditiously as possible and takes one or more of the following actions:
 - (A) grants the petition;
 - (B) directs additional action as the Board deems necessary to determine whether the disability has been removed;
 - (C) orders that a hearing be held before a hearing officer or panel under the procedural rules for disciplinary proceedings;
 - (D) directs the respondent to establish proof of competence and learning in the practice of an LLLT, which may include successful completion of the LLLT examination;
 - (E) denies the petition;
 - (F) directs the respondent to pay the costs of the reinstatement proceedings; or
 - (G) approves or rejects a stipulation to reinstatement between the respondent and disciplinary counsel.
- (3) The petition may be denied without the respondent having an opportunity for a hearing before a hearing officer or panel only if the Board determines that a hearing is not

necessary because:

- (A) the respondent fails to state a prima facie case for reinstatement in the petition; or
- (B) the petition does not indicate a material change of circumstance since a previous denial of a petition for reinstatement.

(f) Petition Granted. If the petition for reinstatement is granted, the Court immediately restores the respondent to the respondent's prior status. If a disciplinary proceeding has been deferred because of the disability transfer, the proceeding resumes upon reinstatement.

(g) Review by Supreme Court. If the petition for reinstatement is not granted, the respondent may appeal the Board's decision to the Supreme Court, by filing a request for the Court to review the record and order in the same manner as review by the court under rule 12.1 within 15 days of service of the Board's decision on the respondent. Title 12 applies to review under this section.

TITLE 9 – RESOLUTIONS WITHOUT HEARING

ELLLTC 9.1 STIPULATIONS

(a) **Requirements.** Any disciplinary matter or proceeding may be resolved by a stipulation at any time. The stipulation must be signed by the respondent LLLT and approved by disciplinary counsel or the Clerk. The stipulation may impose terms and conditions of probation and contain any other appropriate provisions.

(b) **Form.** A stipulation must:

- (1) provide sufficient detail regarding the particular acts or omissions of the respondent to permit the Board or hearing officer to form an opinion as to the propriety of the proposed resolution, and, if approved, to make the stipulation useful in any subsequent disciplinary proceeding against the respondent;
- (2) set forth the respondent's prior disciplinary record or its absence;
- (3) state that the stipulation is not binding on the Association as a statement of facts about the respondent's conduct, and that additional facts may be proved in a subsequent disciplinary proceeding; and
- (4) fix the amount of costs and expenses to be paid by the respondent.

(c) **Approval.**

- (1) *By Hearing Officer.* A hearing officer or panel may approve a stipulation disposing of a matter pending before the officer or panel, unless the stipulation requires the respondent's license suspension or revocation. This approval constitutes a final decision and is not subject to further review.
- (2) *By Board.* All other stipulations must be presented to the Board. The Board reviews a stipulation based solely on the record agreed to by the respondent LLLT and disciplinary counsel or the Clerk. All parties to the stipulation may jointly ask the Chair to permit them to address the Board regarding a stipulation. Such presentations are at the Chair's discretion. The Board may approve, conditionally approve, or reject a stipulation. Regardless of the provisions of rule 3.3(a), the Board may direct that information or documents considered in reviewing a stipulation be kept confidential.

(d) **Conditional Approval.** The Board may condition its approval of a stipulation on the agreement by the respondent and disciplinary counsel or the clerk to a different disciplinary action, probation, restitution, or other terms the Board deems necessary to accomplish the purposes of LLLT discipline. If the Board conditions approval of a stipulation, the stipulation as conditioned is deemed approved if, within 14 days of service of the order, or within additional time granted by the Chair, all parties to the stipulation serve on the Clerk written consent to the conditional terms in the Board's order.

(e) **Reconsideration.** Within 14 days of service of an order rejecting or conditionally approving a stipulation, all parties to the stipulation may serve on the Clerk a joint motion for reconsideration and may ask to address the Board on the motion.

(f) **Stipulation Rejected.** The Board's order rejecting a stipulation must state the reasons for the rejection. A rejected stipulation has no force or effect and neither it nor the fact of its execution is admissible in evidence in any disciplinary, civil, or criminal proceeding.

(g) **Failure To Comply.** A respondent's failure to comply with the terms of an approved stipulation may be grounds for discipline.

ELLLTC 9.2 VOLUNTARY CANCELLATION IN LIEU OF REVOCATION

(a) Grounds. A respondent LLLT who desires not to contest or defend against allegations of misconduct may, at any time before the answer in any disciplinary proceeding is due, voluntarily cancel his or her certification as an LLLT in lieu of further disciplinary proceedings.

(b) Process. The respondent first notifies the Clerk or disciplinary counsel that the respondent intends to submit a voluntary cancellation request and asks the Clerk or disciplinary counsel to prepare a statement of alleged misconduct and to provide a declaration of costs. After receiving the statement and the declaration of costs, if any, the respondent may resign by submitting to disciplinary counsel or the Clerk a signed voluntary cancellation, sworn to or affirmed under oath and notarized, that:

(1) includes disciplinary counsel's or the Clerk's statement of the alleged misconduct and either an admission of that misconduct or a statement that while not admitting the misconduct the respondent agrees that the Board could prove by a clear preponderance of the evidence that the respondent committed violations sufficient to result in the revocation of respondent's LLLT certification;

(2) affirmatively acknowledges that the voluntary cancellation is permanent including the statement:

"I understand that my voluntary cancellation is permanent and that any future application by me for reinstatement as an LLLT is currently barred. If the Supreme Court changes this rule or an application is otherwise permitted in the future, it will be treated as an application by one whose certification has been revoked for ethical misconduct, and that, if I file an application, I will not be entitled to a reconsideration or reexamination of the facts, complaints, allegations, or instances of alleged misconduct on which this voluntary cancellation was based.";

(3) assures that the respondent will:

(A) notify all other professional licensing agencies in any jurisdiction from which the respondent has a professional license of the voluntary cancellation in lieu of revocation;

(B) seek to resign permanently from any such license; and

(C) provide disciplinary counsel or the Clerk with copies of any of these notifications and any responses;

(4) states that when applying for any employment or license the respondent agrees to disclose the voluntary cancellation in lieu of revocation in response to any question regarding disciplinary action or the status of the respondent's limited license to practice law;

(5) states that the respondent agrees to pay any restitution or additional costs and expenses ordered by the discipline committee, and attaches payment for costs as described in section (f) below, or states that the respondent will execute a confession of judgment or deed of trust as described in section (f); and

(6) states that when the voluntary cancellation becomes effective, the respondent will be subject to all restrictions that apply to an LLLT whose certification has been revoked.

(c) Public Filing. Upon receipt of a voluntary cancellation meeting the requirements set forth above, and any executed confession of judgment or deed of trust required under section (f), disciplinary counsel promptly causes it to be filed with the Clerk as a public and permanent record of the Board.

(d) Effect. A voluntary cancellation under this rule is effective upon its filing with the Clerk. All disciplinary proceedings against the respondent terminate except the Clerk or disciplinary

counsel has the discretion to continue any investigations deemed appropriate under the circumstances to create a record of the respondent's actions. The Association immediately notifies the Supreme Court of a voluntary cancellation under this rule and the respondent's name is forthwith stricken from the roll of LLLTs. Upon filing of the voluntary cancellation, respondent must comply with the same duties under Title 14 as an LLLT whose license has been revoked and comply with all restrictions that apply to an LLLT whose license has been revoked. Notice is given of the voluntary cancellation in lieu of revocation under rule 3.5.

(e) Voluntary Cancellation is Permanent. Voluntary cancellation under this rule is permanent. A respondent who has voluntarily cancelled under this rule will never be eligible to apply and will not be considered for admission to the practice of law nor will the respondent be eligible for admission or reinstatement for any limited practice of law.

(f) Costs and Expenses.

(A) If a respondent voluntarily cancels under this rule, the expenses under rule 13.9(c) are \$1,000 for any proceedings for which an answer was not due when the respondent notified disciplinary counsel of the respondent's intent to voluntarily cancel under section (b). With the voluntary cancellation, the respondent must pay this \$1,000 expense, plus all actual costs for which disciplinary counsel or the Clerk provides documentation, up to an additional \$1,000. If the respondent demonstrates inability to pay these costs and expenses, instead of paying this amount, the respondent must execute, in disciplinary counsel's or the Clerk's discretion, a confession of judgment or a deed of trust for that amount. Disciplinary counsel may file a claim under section (g) for costs not covered by the payment, confession of judgment, or deed of trust.

(B) If at the time respondent serves the notice of intent to voluntarily cancel, an additional proceeding is pending against the respondent for which an answer has been filed or is due, disciplinary counsel may also file a claim under section (g) for costs and expenses for that proceeding.

(g) Review of Costs, Expenses, and Restitution. Any claims for restitution or for costs and expenses not resolved by agreement between the Clerk or disciplinary counsel and the respondent may be submitted at any time, including after the voluntary cancellation, to the discipline committee in writing for the determination of appropriate restitution or costs and expenses. The discipline committee's order is not subject to further review and is the final assessment of restitution or costs and expenses for the purposes of rule 13.9 and may be enforced as any other order for restitution or costs and expenses. The record before the discipline committee and the discipline committee's order is public information under rule 3.1(b).

TITLE 10 – HEARING PROCEDURES

ELLLTC 10.1 GENERAL PROCEDURE

(a) **Applicability of Civil Rules.** The civil rules for the superior courts of the State of Washington serve as guidance in proceedings under this title and, where indicated, apply directly. A party may not move for summary judgment, but either party may move at any time for an order determining the collateral estoppel effect of a judgment in another proceeding. Motions for judgment on the pleadings and motions to dismiss based upon the pleadings are available only to the extent permitted in rule 10.10.

(b) **Meaning of Terms in Civil Rules.** In applying the civil rules to proceedings under these rules, terms have the following meanings:

- (1) "Court" or "judge" means the hearing officer or hearing panel or its chair, as appropriate; and
- (2) "Parties" means the respondent LLLT and disciplinary counsel.

(c) **Hearing Officer Authority.** In addition to the powers specifically provided in these rules, the hearing officer may make any ruling that appears necessary and appropriate to insure a fair and orderly proceeding.

ELLLTC 10.2 HEARING OFFICER OR PANEL

(a) **Assignment.**

- (1) *Hearing Officer.* The chief hearing officer, as defined in ELC 2.5(f), ordinarily assigns a single hearing officer, from those eligible under rule 2.5, to hear a matter ordered to hearing.
- (2) *Hearing Panel.* On either party's motion, or when otherwise deemed advisable, the chief hearing officer may assign a hearing panel. In determining whether to assign a hearing panel, the chief hearing officer considers whether public interest in the proceeding or other considerations makes a panel advisable. When a panel is assigned, the chief hearing officer designates one member as panel chair. The chief hearing officer's ruling on assigning a hearing panel is not subject to interim review. The chief hearing officer makes an assignment to fill any hearing officer or panel member vacancy.

(b) **Disqualification and Removal.**

- (1) *Removal Without Cause.* Either party may have an assigned hearing officer or hearing panel member removed, without establishing cause for the removal, by filing a written request with the chief hearing officer within ten days of service on the moving party of that officer or panel member's assignment. A party may only once request removal without cause in any proceeding.
- (2) *Disqualification for Cause.* Either party may seek to disqualify any assigned hearing officer or hearing panel member for good cause. A motion under this subsection must be filed promptly after the party knows, or in the exercise of due diligence should have known, of the basis for the disqualification.
- (3) *Removal.* The chief hearing officer decides all requests for removal and disqualification motions, except the Chair decides a request to remove or disqualify the chief hearing officer. The decision of the chief hearing officer or Chair on a request for removal or a motion to disqualify is not subject to interim review. Upon removal or disqualification of an assigned hearing officer or hearing panel member, the chief hearing officer assigns a replacement.

The [hearing officer] [hearing panel] assigned to this proceeding is; [insert name, address, and telephone number of hearing officer, or name, address, and telephone number of each hearing panel member with an indication of the chair of the panel].

Dated this _____ day of _____, 20__.

WASHINGTON STATE BAR ASSOCIATION

By

Disciplinary Counsel, Bar No.

Address:

Telephone:

(b) Notice When Hearing Officer or Panel Not Assigned. If no hearing officer or panel has been assigned when a formal complaint is served, disciplinary counsel serves the formal complaint and a notice to answer as in section (a), but without reference to the hearing officer or panel.

ELLLTC 10.5 ANSWER

(a) Time to Answer. Within 20 days of service of the formal complaint and notice to answer, the respondent LLLT must file and serve an answer. Failure to file an answer as required may be grounds for discipline and for an order of default under rule 10.6. The filing of a motion to dismiss for failure to state a claim stays the time for filing an answer during the pendency of the motion.

(b) Content. The answer must contain:

- (1) a specific denial or admission of each fact or claim asserted in the formal complaint in accordance with CR 8(b);
- (2) a statement of any matter or facts constituting a defense, affirmative defense, or justification, in ordinary and concise language without repetition; and
- (3) an address at which all further pleadings, notices, and other documents in the proceeding may be served on the respondent.

(c) Filing and Service. The answer must be filed and served under rules 4.1 and 4.2. If a hearing panel has been assigned to hear a matter, the respondent must serve each member with a copy of the answer.

ELLLTC 10.6 DEFAULT PROCEEDINGS

(a) Entry of Default.

- (1) *Timing.* If a respondent LLLT, after being served with a notice to answer as provided in rule 10.4, fails to file an answer to a formal complaint or to an amendment to a formal complaint within the time provided by these rules, disciplinary counsel may serve the respondent with a written motion for an order of default.
- (2) *Motion.* Disciplinary counsel must serve the respondent with a written motion for an order of default and a copy of this rule at least five days before entry of the order of default. The motion for an order of default must include the following:
 - (A) the dates of filing and service of the notice to answer, formal complaint, and any amendments to the complaint; and
 - (B) disciplinary counsel's statement that the respondent has not timely filed an answer as required by rule 10.5 and that disciplinary counsel seeks an order of default under this rule.

- (3) *Entry of Order of Default.* If the respondent fails to file a written answer with the Clerk within five days of service of the motion for entry of an order of default, the hearing officer, or if no hearing officer or panel has been assigned, the chief hearing officer, on proof of proper service of the motion, enters an order finding the respondent in default.
- (4) *Effect of Order of Default.* Upon entry of an order of default, the allegations and violations in the formal complaint and any amendments to the complaint are deemed admitted and established for the purpose of imposing discipline and the respondent may not participate further in the proceedings unless the order of default is vacated under this rule.

(b) Proceedings After Entry of an Order of Default.

- (1) *Service.* The Clerk serves the order of default and a copy of this rule under rule 4.2(b).
- (2) *No Further Notices.* After entry of an order of default, no further notices must be served on the respondent except for copies of the decisions of the hearing officer or hearing panel and the Board.
- (3) *Disciplinary Proceeding.* Within 60 days of the filing of the order of default, the hearing officer must conduct a disciplinary proceeding to recommend disciplinary action based on the allegations and violations established under section (a). At the discretion of the hearing officer or panel, these proceedings may be conducted by formal hearing, written submissions, telephone hearing, or other electronic means. Disciplinary counsel may present additional evidence including, but not limited to, requests for admission under rule 10.11(b), and depositions, affidavits, and declarations regardless of the witness's availability.

(c) Setting Aside Default.

- (1) *Motion To Vacate Order of Default.* A respondent may move to vacate the order of default and any decision of the hearing officer or panel or Board arising from the default on the following grounds:
 - (A) mistake, inadvertence, surprise, excusable neglect, or irregularity in obtaining the default;
 - (B) erroneous proceedings against a respondent who was, at the time of the default, incapable of conducting a defense;
 - (C) newly discovered evidence that by due diligence could not have been previously discovered;
 - (D) fraud, misrepresentation, or other misconduct of an adverse party;
 - (E) the order of default is void;
 - (F) unavoidable casualty or misfortune preventing the respondent from defending; or
 - (G) any other reason justifying relief from the operation of the default.
- (2) *Time.* The motion must be made within a reasonable time and for grounds (A) and (C) within one year after entry of the default. If the respondent's motion is based on allegations of incapability of conducting a defense, the motion must be made within one year after the disability ceases.
- (3) *Burden of Proof.* The respondent bears the burden of proving the grounds for setting aside the default. If the respondent proves that the default was entered as a result of a disability which made the respondent incapable of conducting a defense, the default must be set aside.
- (4) *Service and Contents of Motion.* The motion must be filed and served under rules 4.1 and 4.2 and be accompanied by a copy of respondent's proposed answer to each formal

complaint for which an order of default has been entered. The proposed answer must state with specificity the respondent's asserted defenses and any facts that respondent asserts as mitigation. The motion to vacate the order of default must be supported by an affidavit showing:

- (A) the date on which the respondent first learned of the entry of the order of default;
- (B) the grounds for setting aside the order of default; and
- (C) an offer of proof of the facts that the respondent expects to establish if the order of default is vacated.

- (5) *Response to Motion.* Within ten days of filing and service of the motion to vacate, disciplinary counsel may file and serve a written response.
- (6) *Decision.* The hearing officer or panel decides a motion to vacate the order of default on the written record without oral argument. If the proceedings have been concluded, the chief hearing officer assigns a hearing officer or panel to decide the motion. Pending a ruling on the motion, the hearing officer or panel may order a stay of proceedings not to exceed 30 days. In granting a motion to vacate an order of default, the hearing officer or panel has discretion to order appropriate conditions.
- (7) *Appeal of Denial of Motion.* A respondent may appeal to the Chair a denial of a motion to vacate an order of default by filing and serving a written notice of appeal stating the arguments against the hearing officer or panel's decision. The respondent must file the notice of appeal within ten days of service on the respondent of the order denying the motion. The appeal is decided on the written record without oral argument. Pending a ruling on the appeal, the Chair may order a stay of proceedings not to exceed 30 days. In granting a motion to vacate an order of default, the Chair has discretion to order appropriate conditions.
- (8) *Decision To Vacate Is Not Subject to Interim Review.* An order setting aside an order of default is not subject to interim review.

(d) Order of Default Not Authorized in Certain Proceedings. The default procedure in this rule does not apply to a proceeding to inquire into an LLLT's capacity to practice as an LLLT under Title 8 except as provided in that title.

ELLLTC 10.7 AMENDMENT OF FORMAL COMPLAINT

(a) Right To Amend. Disciplinary counsel may, without discipline committee authorization, amend a formal complaint at any time to add facts or charges that relate to matters in the formal complaint or to the respondent LLLT's conduct regarding the pending proceedings.

(b) Amendment with Authorization. Disciplinary counsel must seek discipline committee authorization for amendments other than those under section (a). The discipline committee may authorize the amendment or may require that the additional facts or charges be the subject of a separate formal complaint. The Chair, with the consent of the respondent, and after consultation with the hearing officer on the previously filed matter, may consolidate the hearing on the separate formal complaint with the hearing on the other pending formal complaint against the respondent.

(c) Service and Answer. Disciplinary counsel serves an amendment to a formal complaint on the respondent as provided in rule 4.1 but need not serve a Notice to Answer with the amendment. Rule 10.5 governs the answer to an amendment except that any part of a previous answer may be incorporated by reference.

ELLLTC 10.8 MOTIONS

(a) Filing and Service. Motions to the hearing officer, except motions which may be made ex parte or motions at hearing, must be in writing and filed and served as required by rules 4.1 and 4.2.

(b) Response. The opposing party has five days from service of a motion to respond, unless the time is shortened by the hearing officer for good cause. A request to shorten time for response to a motion may be made ex parte.

(c) Consideration of Motion. Upon expiration of the time for response, the hearing officer should promptly rule on the motion, with or without argument as may appear appropriate. Argument on a motion may be heard by conference telephone call.

(d) Ruling. A ruling on a written motion must be in writing and filed with the Clerk.

(e) Minor Matters. Alternatively, motions on minor matters may be made by letter to the hearing officer, with a copy to the opposing party and to the Clerk. The provisions of sections (b) and (c) apply to these motions. A ruling on such motion may also be by letter to each party with a copy to the Clerk.

(f) Chief Hearing Officer Authority. Before the assignment of a hearing officer or panel, the chief hearing officer, as defined in ELC 2.5(f), may rule on any prehearing motion.

ELLLTC 10.9 INTERIM REVIEW

Unless these rules provide otherwise, the Board may review any interim ruling on request for review by either party, if the Chair determines that review is necessary and appropriate and will serve the ends of justice.

ELLLTC 10.10 PREHEARING DISPOSITIVE MOTIONS

(a) Respondent Motion. A respondent LLLT may move for dismissal of all or any portion of one or more counts of a formal complaint for failure to state a claim upon which relief can be granted.

(b) Disciplinary Counsel Motion. Disciplinary counsel may move for an order finding misconduct based on the pleadings. In ruling on this motion, the hearing officer or panel may find that all or some of the misconduct as alleged in the formal complaint is established, but will determine the sanction after a hearing.

(c) Time for Motion. A motion under this rule must be filed within 30 days of the filing of the answer to a formal complaint or amended formal complaint. A respondent may, within the time provided for filing an answer, instead file a motion under this rule. If the motion does not result in the dismissal of the entire formal complaint, the respondent must file and serve an answer to the remaining allegations within ten days of service of the ruling on the motion.

(d) Procedure. Rule 10.8 and CR 12 apply to motions under this rule. No factual materials outside the answer and complaint may be presented. If the motion results in dismissal of part but not all of a formal complaint, the Board must hear an interlocutory appeal of the order by either party. The appeal must be filed within 15 days of service of the order.

ELLLTC 10.11 DISCOVERY AND PREHEARING PROCEDURES

(a) General. The parties should cooperate in mutual informal exchange of relevant non-privileged information to facilitate expeditious, economical, and fair resolution of the case.

(b) Requests for Admission. After a formal complaint is filed, the parties may request admissions under CR 36. Under appropriate circumstances, the hearing officer may apply the sanctions in CR 37(c) for improper denial of requests for admission.

(c) Other Discovery. After a formal complaint is filed, the parties have the right to other discovery under the Superior Court Civil Rules, including under CR 27–31 and 33 –35, only on motion and under terms and limitations the hearing officer deems just or on the parties’ stipulation.

(d) Limitations on Discovery. The hearing officer may exercise discretion in imposing terms or limitations on the exercise of discovery to assure an expeditious, economical, and fair proceeding, considering all relevant factors including necessity and unavailability by other means, the nature and complexity of the case, seriousness of charges, the formal and informal discovery that has already occurred, the burdens on the party from whom discovery is sought, and the possibility of unfair surprise.

(e) Deposition Procedure.

- (1) Subpoenas for depositions may be issued under CR 45. Subpoenas may be enforced under rule 4.6.
- (2) For a deposition outside Washington State, a commission need not issue, but a copy of the order of the chief hearing officer or hearing officer, certified by the officer, is sufficient to authorize the deposition.

(f) CR 16 Orders. The hearing officer may enter orders under CR 16.

(g) Duty to Cooperate. A respondent LLLT who has been served with a formal complaint must respond to discovery requests and comply with all lawful orders made by the hearing officer. The hearing officer or panel may draw adverse inferences as appear warranted by the failure of either the Board or the respondent to respond to discovery.

ELLLTC 10.12 SCHEDULING HEARING

(a) Where Held. All disciplinary hearings must be held in Washington State, unless the respondent LLLT is not a resident of the state, or cannot be found in the state.

(b) Scheduling of Hearing. If possible, the parties should arrange a date, time, and place for the hearing by agreement among themselves and the hearing officer or panel members. Alternatively, at any time after the respondent has filed an answer to the formal complaint, or after the time to file the answer has expired, either party may move for an order setting a date, time, and place for the hearing. Rule 10.8 applies to this motion. The motion must state:

- the requested date or dates for the hearing;
- other dates that are available to the requesting party;
- the expected duration of the hearing;
- discovery and anything else that must be completed before the hearing; and
- the requested time and place for the hearing.

A response to the motion must contain the same information.

(c) Scheduling Order. The hearing officer must enter an order setting the date and place of the hearing. This order may include any prehearing deadlines the hearing officer deems required by the complexity of the case, and may be in the following form with the following timelines:

IT IS ORDERED that the hearing is set and the parties must comply with prehearing deadlines as follows:

1. **Witnesses.** A list of intended witnesses, including addresses and phone numbers, must be filed and served by [Hearing Date (H)-8 weeks].

2. **Discovery.** Discovery cut-off is [H-6 weeks].
3. **Motions.** Prehearing motions, other than motions to bifurcate, must be served by [H-4 weeks]. An exhibit not ordered or stipulated admitted may not be attached to a motion or otherwise transmitted to the hearing officer unless the motion concerns the exhibit's admissibility. The hearing officer will advise counsel whether oral argument is necessary, and, if so, the date and time, and whether it will be heard by telephone. (Rule 10.15 provides the deadline for a motion to bifurcate.)
4. **Exhibits.** A list of proposed exhibits must be filed and served by [H-3 weeks].
5. **Service of Exhibits/Summary.** Copies of proposed exhibits and a summary of the expected testimony of each witness must be served on the opposing counsel by [H-2 weeks].
6. **Objections.** Objections to proposed exhibits, including grounds, must be exchanged by [H-1 week].
7. **Briefs.** Any hearing brief must be served and filed by [H-1 week]. Exhibits not ordered or stipulated admitted may not be attached to a hearing brief or otherwise transmitted to the hearing officer before the hearing.
8. **Hearing.** The hearing is set for [H] and each day thereafter until recessed by the hearing officer, at [location].

(d) Motion for Hearing Within 120 Days. A respondent's motion under section (b) for a hearing within 120 days must be granted, unless disciplinary counsel shows good cause for setting the hearing at a later date.

(e) Notice. Service of a copy of an order or ruling of the hearing officer setting a date, time, and place for the hearing constitutes notice of the hearing. The respondent must be given at least ten days notice of the hearing absent consent.

(f) Continuance. Either party may move for a continuance of the hearing date. The hearing officer has discretion to grant the motion for good cause shown.

ELLTTC 10.13 DISCIPLINARY HEARING

(a) Representation. The Board is represented at the hearing by disciplinary counsel. The respondent LLLT may be represented by counsel.

(b) Respondent Must Attend. A respondent given notice of a hearing must attend the hearing. Failure to attend the hearing, without good cause, may be grounds for discipline. If, after proper notice, the respondent fails to attend the hearing, the hearing officer or panel:

- (1) may draw an adverse inference from the respondent's failure to attend as to any questions that might have been asked the respondent at the hearing; and
- (2) must admit testimony by deposition regardless of the deponent's availability. An affidavit or declaration is also admissible, if:
 - (A) the facts stated are within the witness's personal knowledge;
 - (B) the facts are set forth with particularity; and
 - (C) it shows affirmatively that the witness could testify competently to the stated facts.

(c) Respondent Must Bring Requested Materials. Disciplinary counsel may request in writing, served on the respondent at least three days before the hearing, that the respondent bring to the hearing any documents, files, records, or other written materials or things. The respondent must comply with this request and failure to bring requested materials, without good cause, may be grounds for discipline.

(d) Witnesses. Except as provided in subsection (b)(2) and rule 10.6, witnesses must testify under oath. Testimony may also be submitted by deposition as permitted by CR 32. Testimony must be recorded by a court reporter or, if allowed by the hearing officer, by tape recording. The parties have the right to cross-examine witnesses who testify and to submit rebuttal evidence.

(e) Subpoenas. The parties may subpoena witnesses, documents, or things under the terms of CR 45. A witness must promptly comply with all subpoenas issued under this rule and with all lawful orders made by the hearing officer under this rule. Subpoenas may be enforced under rule 4.6. The hearing officer or panel may additionally draw adverse inferences as appear warranted by the respondent's failure to respond.

(f) Prior Disciplinary Record. The respondent's record of prior disciplinary action, or the fact that the respondent has no prior disciplinary action, must be made a part of the hearing record before the hearing officer or panel files a decision.

ELLLTC 10.14 EVIDENCE AND BURDEN OF PROOF

(a) Proceedings Not Civil or Criminal. Hearing officers should be guided in their evidentiary and procedural rulings by the principle that disciplinary proceedings are neither civil nor criminal but are sui generis hearings to determine if an LLLT's conduct should have an impact on his or her license to practice as an LLLT.

(b) Burden of Proof. Disciplinary counsel has the burden of establishing an act of misconduct by a clear preponderance of the evidence.

(c) Proceeding Based on Criminal Conviction. If a formal complaint charges a respondent LLLT with an act of misconduct for which the respondent has been convicted in a criminal proceeding, the court record of the conviction is conclusive evidence at the disciplinary hearing of the respondent's guilt of the crime and violation of the statute on which the conviction was based.

(d) Rules of Evidence. Consistent with section (a) of this rule, the following rules of evidence apply during disciplinary hearings:

- (1) evidence, including hearsay evidence, is admissible if in the hearing officer's judgment it is the kind of evidence on which reasonably prudent persons are accustomed to rely in the conduct of their affairs. The hearing officer may exclude evidence that is irrelevant, immaterial, or unduly repetitious;
- (2) if not inconsistent with subsection (1), the hearing officer shall refer to the Washington Rules of Evidence as guidelines for evidentiary rulings;
- (3) documents may be admitted in the form of copies or excerpts, or by incorporation by reference;
- (4) Official Notice.
 - (A) official notice may be taken of:
 - (i) any judicially cognizable facts;
 - (ii) technical or scientific facts within the hearing officer's or panel's specialized knowledge; and
 - (iii) codes or standards adopted by an agency of the United States, of this state, or of another state, or by a nationally recognized organization or association.
 - (B) the parties shall be notified either before or during hearing, or by reference in preliminary reports or otherwise, of the material noticed and the sources thereof, including any staff memoranda and data, and they shall have an opportunity to contest

the facts and material noticed. A party proposing that official notice be taken may be required to produce a copy of the material to be noticed.

(e) **APA as Guidance.** The evidence standards in this rule are based on the evidence provisions of the Washington Administrative Procedures Act, which, when not inconsistent with these standards, should be looked to for guidance. "Shall" has the meaning in this rule ascribed to it in the APA.

ELLTC 10.15 BIFURCATED HEARINGS

(a) **When Allowed.** Upon written motion filed no later than 60 days before the scheduled hearing, either party may request that the disciplinary proceeding be bifurcated. The hearing officer or panel must weigh the reasons for bifurcation against any increased cost and delay, inconvenience to participants, duplication of evidence, and any other factors, and may grant the motion only if it appears necessary to insure a fair and orderly hearing because the respondent has a record of prior disciplinary sanction or because either party would suffer significant prejudice or harm.

(b) **Procedure.**

(1) *Violation Hearing.*

(A) A bifurcated proceeding begins with an initial hearing to make factual determinations and legal conclusions as to the violations charged, including the mental state necessary for the violations. During this stage of the proceedings, evidence of a prior disciplinary record is not admissible to prove the respondent's character or to impeach the respondent's credibility. However, evidence of prior acts of misconduct may be admitted for other purposes, such as proof of motive, opportunity, intent, preparation, plan, knowledge, identity, or absence of mistake or accident.

(B) At the conclusion of that hearing, the hearing officer or panel files findings and conclusions.

(i) If no violation is found, the proceedings are concluded, the findings and conclusions are the decision of the hearing officer or panel, and the sanction hearing is canceled.

(ii) If any violation is found, after the expiration of the time for a motion to amend under rule 10.16(c), or after ruling on that motion, the findings and conclusions as to those violations are not subject to reconsideration by the hearing officer.

(2) *Sanction Hearing.* If any violation is found, a second hearing is held to determine the appropriate sanction recommendation. During the sanction hearing, evidence of the existence or lack of any prior disciplinary record is admissible. No evidence may be admitted to contradict or challenge the findings and conclusions as to the violations. At the conclusion of the sanction hearing, the hearing officer or panel files findings and conclusions as to a sanction recommendation, that, together with the previously filed findings and conclusions, is the decision of the hearing officer or panel.

(3) *Timing.* If a motion for bifurcation is granted, the violation hearing is held on the date previously set for hearing. Upon granting a motion to bifurcate, the hearing officer must set a date and place for the sanction hearing. Absent extraordinary circumstances, the sanction hearing should be held no later than 45 days after the anticipated last day of the violation hearing.

ELLTC 10.16 DECISION OF HEARING OFFICER OR PANEL

(a) **Decision.** Within 20 days after the proceedings are concluded, unless extended by agreement, the hearing officer should file with the Clerk a decision in the form of findings of fact, conclusions of law, and recommendation.

(b) **Preparation of Findings.** The hearing officer or hearing panel write their own findings of fact, conclusions of law, and recommendations. At the request of the hearing officer, or without a request, either party may submit proposed findings, conclusions, and recommendation.

(c) **Amendment.**

(1) *Timing of Motion.* Either party may move to modify, amend, or correct the decision as follows:

(A) In a proceeding not bifurcated, within ten days of service of the decision on the respondent LLLT;

(B) In a bifurcated proceeding, within five days of service of:

(i) the violation findings of fact and conclusions of law; or

(ii) the sanction recommendation, but this motion may not seek to modify, amend, or correct the violation findings or conclusions.

(C) If a hearing panel member dissents from a decision of the majority, the five or ten day period does not begin until the written dissent is filed or the time to file a dissent has expired, whichever is sooner.

(2) *Procedure.* Rule 10.8 governs this motion, except that all members of a hearing panel must be served with the motion and any response and participate in a decision on the motion. A panel's deliberation may be conducted through telephone conference call. The hearing officer or panel should rule on the motion within 15 days after the filing of a timely response or after the period to file a response under rule 10.8(b) has expired. The ruling may deny the motion or may amend, modify, or correct the decision.

(3) *Effect of Failure To Move.* Failure to move for modification, correction, or amendment does not affect any appeal to the Board or review by the Supreme Court.

(d) **Dissent of Panel Member.** Any member of a hearing panel who dissents from the decision of the majority of the panel should file a dissent, which may consist of alternative findings, conclusions, or recommendation. A dissent should be filed within ten days of the filing of the majority's decision and becomes part of the record of the proceedings.

(e) **Panel Members Unable To Agree.** If no two panel members are able to agree on a decision, each panel member files findings, conclusions, and a recommendation, and the Board reviews the matter whether or not an appeal is filed.

(f) **When Final.** If a hearing officer or panel recommends reprimand or an admonition, or recommends dismissal of the charges, the recommendation becomes the final decision if neither party files an appeal and if the Chair does not refer the matter to the Board for consideration within the time permitted by rule 11.2(b)(3). If the Chair refers the matter to the Board for consideration of a sua sponte review, the decision is final upon entry of an order dismissing sua sponte review under rule 11.3 or upon other Board decision under rule 11.12(g).

TITLE 11 – REVIEW BY BOARD

ELLLTC 11.1 SCOPE OF TITLE

This title provides the procedure for Board review following a hearing officer or panel's findings of fact, conclusions of law, and recommendation. It does not apply to Board review of interim rulings under rule 10.9.

ELLLTC 11.2 DECISIONS SUBJECT TO BOARD REVIEW

(a) Decision. For purposes of this title, "Decision" means the hearing officer or panel's findings of fact, conclusions of law, and recommendation, provided that if either party properly files a motion to amend under rule 10.16(c), the "Decision" includes the ruling on the motion, and becomes subject to Board review only upon the ruling on the motion.

(b) Review of Decisions. The Board reviews the following Decisions:

- (1) those recommending suspension or revocation;
- (2) those in which no two members of a hearing panel are able to agree on a Decision; and
- (3) all others if within 15 days of service of the Decision on the respondent:
 - (A) either party files a notice of appeal; or
 - (B) the Chair files a notice of referral for sua sponte consideration of the Decision.

ELLLTC 11.3 SUA SPONTE REVIEW

(a) Procedure. Sua sponte review commences when the Chair files a notice of referral under rule 11.2(b)(3). Upon this filing, the Chair causes a copy to be served on the parties and schedules the matter for consideration by the Board. On consideration, the Board either issues an order for sua sponte review setting forth the issues to be reviewed or dismisses the sua sponte review. If the Board issues an order for sua sponte review, the procedures of rule 11.9 apply unless otherwise modified by the order, except either party may raise any issue for Board review.

(b) Standards. The Board uses sua sponte review only in extraordinary circumstances to prevent substantial injustice or to correct a clear error. Sua sponte review uses the same standards of review as other cases.

ELLLTC 11.4 TRANSCRIPT OF HEARING

(a) Ordering Transcript. A hearing transcript or partial transcript may be ordered at any time by the hearing officer or panel, respondent LLLT, disciplinary counsel, or the Board. Disciplinary counsel must order the entire transcript if the hearing officer or panel recommends suspension or revocation or if no two panel members can agree on a Decision. If a notice of appeal is filed under rule 11.2(b)(1), disciplinary counsel must order the entire transcript unless the parties agree that no transcript or only a partial transcript is necessary for review. For sua sponte review, the Chair determines the procedure for ordering the transcript if not already ordered.

(b) Filing and Service. The original of the transcript is filed with the Clerk. Disciplinary counsel must cause a copy of the transcript to be served on the respondent except if the respondent ordered the transcript.

(c) Proposed Corrections. Within ten days of service of a copy of the transcript on the respondent, or within ten days of filing the transcript if the respondent ordered the transcript, each party may file any proposed corrections to the transcript. Each party has five days after service of the opposing party's proposed corrections to file objections to those proposed

corrections.

(d) Settlement of Transcript. If either party files objections to any proposed correction under section (c), the hearing officer, upon review of the proposed corrections and objections, enters an order settling the transcript. Otherwise, the transcript is deemed settled and any proposed corrections deemed incorporated in the transcript.

ELLTTC 11.5 RECORD ON REVIEW

(a) Generally. The record on review consists of:

- (1) any hearing transcript or partial transcript; and
- (2) public file documents and exhibits designated by the parties.

(b) References to the Record. Briefs filed under rules 11.8 and 11.9 must specifically refer to the record if available, using the designations TR for transcript of hearing, EX for exhibits, and PF for public file documents.

(c) Avoid Duplication. Material appearing in one part of the record on review should not be duplicated in another part of the record on review.

(d) No Additional Evidence. Evidence not presented to the hearing officer or panel must not be presented to the Board.

ELLTTC 11.6 DESIGNATION OF PUBLIC FILE DOCUMENTS AND EXHIBITS

The parties designate public file documents and exhibits for Board consideration under the procedure of RAP 9.6 with the following adaptations and modifications:

(a) Public File Documents. The public file documents are considered the clerk's papers.

(b) Limited License Legal Technician Board and Clerk. The Limited License Legal Technician Board is considered the appellate court and the Clerk to the Limited License Legal Technician Board is considered the trial court clerk.

(c) Time for Designation.

- (1) *Review of Suspension or Revocation Recommendation.* When review is under rule 11.2(b)(1), the respondent LLLT must file and serve the respondent's designation of public file documents and exhibits within 30 days of service of the Decision.
- (2) *Review Not Involving Suspension or Revocation Recommendation.* When review is under rule 11.2(b)(3)(A), the party seeking review must file and serve that party's designation of public file documents and exhibits within 15 days of filing the notice of appeal. When review is under rule 11.2(b)(2) or 11.2(b)(3)(B), the respondent is considered the party seeking review for designating public file documents and exhibits.

(d) Hearing Officer Recommendation. The public file documents must include the hearing officer or panel's recommendation.

ELLTTC 11.7 PREPARATION OF PUBLIC FILE DOCUMENTS AND EXHIBITS

(a) Preparation. The Clerk prepares the public file documents and exhibits in the format required by RAP 9.7(a) and (b), and distributes them to the Board. The Clerk provides the parties with a copy of the index of the public file documents and the cover sheet listing the exhibits.

(b) Costs. Costs for preparing public file documents and exhibits may be assessed as costs under rule 13.9(b)(9).

ELLLTC 11.8 BRIEFS FOR REVIEWS INVOLVING SUSPENSION OR REVOCATION RECOMMENDATION

(a) **Caption of Briefs.** Parties should caption their briefs as follows:

[Name of Party] Brief [in Support of/in Opposition to] Hearing [Officer's] [Panel's] Decision
[Name of Party] Reply Brief

(b) **Briefs in Support or Opposition.** In a matter before the Board under rule 11.2(b)(1), each party may file a brief in support of or in opposition to the Decision, or any part of it.

(c) **Time for Filing Briefs.** Briefs, if any, must be filed as follows:

(1) The respondent LLLT must file a brief within 20 days of service on the respondent of the later of:

- (A) a copy of the hearing transcript; or
- (B) the Decision.

(2) Disciplinary counsel must file a brief within 15 days of service on disciplinary counsel of the respondent's brief, or, if no brief is filed by the respondent, within 15 days of the expiration of the period for the respondent to file a brief.

(3) The respondent may file a reply to disciplinary counsel's brief within ten days of service of that brief on the respondent.

ELLLTC 11.9 BRIEFS FOR REVIEWS NOT INVOLVING SUSPENSION OR REVOCATION RECOMMENDATION

(a) **Caption of Briefs.** The parties should caption briefs as follows:

[Name of Party] Brief in Opposition to Hearing [Officer's] [Panel's] Decision
[Name of Party] Response
[Name of Party] Reply

(b) **Brief in Opposition.**

(1) The party seeking review must file a brief in opposition to the Decision within 20 days of the later of:

- (A) service on the respondent LLLT of a copy of the transcript, unless the parties have agreed that no transcript is necessary; or
- (B) filing of the notice of appeal.

(2) Failure to file a brief within the required period constitutes an abandonment of the appeal.

(c) **Response.** The opposing party has 15 days from service of the statement of the party seeking review to file a brief responding to the issues raised on appeal.

(d) **Reply.** The party seeking review may file a reply to the response within ten days of service of the response.

(e) **Procedure when Both Parties Seek Review or When No Two Panel Members Can Agree.** When both parties file notices of appeal under rule 11.2(b)(3)(A) or when no two panel members are able to agree on a Decision, the respondent is considered the party seeking review and disciplinary counsel is considered the opposing party. In that case, disciplinary counsel's response may raise any issue for Board review, and the respondent has an additional five days to file the reply permitted by section (d).

ELLLTC 11.10 SUPPLEMENTING RECORD ON REVIEW

The record on review may be supplemented under the procedures of RAP 9.6 except that leave to supplement is freely granted. The Board may direct that the record be supplemented with any portion of the record before the hearing officer, including any public file documents and exhibits.

ELLLTC 11.11 REQUEST FOR ADDITIONAL PROCEEDINGS

In any brief permitted in rules 11.8 and 11.9, either party may request that an additional hearing be held before the hearing officer or panel to take additional evidence based on newly discovered evidence. A request for an additional hearing must be supported by affidavit describing in detail the additional evidence sought to be admitted and any reasons why it was not presented at the previous hearing. The Board may grant or deny the request in its discretion.

ELLLTC 11.12 DECISION OF BOARD

(a) **Basis for Review.** Board review is based on the hearing officer or panel's Decision, any hearing panel member's dissent, the parties' briefs filed under rule 11.8 or 11.9, and the record on review.

(b) **Standards of Review.** The Board reviews findings of fact for substantial evidence. The Board reviews conclusions of law and recommendation de novo. Evidence not presented to the hearing officer or panel cannot be considered by the Board.

(c) **Oral Argument.** The Board hears oral argument if requested by either party or the Chair. A party's request must be filed no later than the deadline for that party to file his or her last brief, including a response or reply, under rule 11.8 or 11.9. The Chair's notice of oral argument must be filed and served on the parties no later than 14 days before the oral argument. The Chair sets the time, place, and terms for oral argument.

(d) **Action by Board.** Neither the Chair nor any members of the Board who also serve on the Discipline Committee are, by virtue of that office or service, disqualified from participating in the review before the Board or from participating in the Board's vote on a matter. On review, the Board may adopt, modify, or reverse the findings, conclusions, or recommendation of the hearing officer or panel. The Board may also direct that the hearing officer or panel hold an additional hearing on any issue, on its own motion, or on either party's request.

(e) **Order or Opinion.** The Board must issue a written order or opinion. If the Board amends, modifies, or reverses any finding, conclusion, or recommendation of the hearing officer or panel, the Board must state the reasons for its decision in a written order or opinion. A Board member agreeing with the majority's order or opinion may file separate concurring reasons. A Board member dissenting from the majority's order or opinion may set forth in writing the reasons for that dissent. The decision should be prepared as expeditiously as possible and consists of the majority's opinion or order together with any concurring or dissenting opinions. None of the opinions or orders may be filed until all opinions are filed. A copy of the complete decision is served by the Clerk on the parties.

(f) Procedure to Amend, Modify, or Reverse if No Appeal.

- (1) If the Board intends to amend, modify, or reverse the hearing officer or panel's recommendation in a matter that has not been appealed to the Board by either party, the Board issues a notice of intended decision.
- (2) Either party may, within 15 days of service of this notice, file a request that the Board reconsider the intended decision.
- (3) If a request is filed, the Board reconsiders its intended decision and the intended decision has no force or effect. The Chair determines the procedure for the Board's reconsideration, including whether to grant requests for oral argument.
- (4) If no timely request for reconsideration is filed, the Board forthwith issues an order adopting the intended decision effective on the date of the order. If a party files a timely

request for reconsideration, the Board issues an order or opinion after reconsideration under section (e).

(g) Decision Ordering Dismissal, Admonition or Reprimand Final Unless Review Granted. The Board's decision of dismissal, admonition or reprimand is final if neither party files a petition for review within the time permitted by title 12 or upon the Supreme Court's denial of a petition for discretionary review.

(h) Decision Requiring Supreme Court Action. After the time for filing a petition for review has expired or a petition has been denied, if the recommendation of the Board is that the respondent LLLT's certification be suspended or revoked, that recommendation along with the record shall be transmitted to the Supreme Court for entry of an appropriate order or other action as the Court deems appropriate under Title 12.

ELLLTC 11.13 CHAIR MAY MODIFY REQUIREMENTS

Upon written motion filed with the Clerk by either party, for good cause shown, the Chair may modify the time periods in Title 11, and make other orders as appear appropriate to assure fair and orderly Board review. However, the time period for filing a notice of appeal in rule 11.2(b)(3)(A) may not be extended or altered.

TITLE 12 – REVIEW BY SUPREME COURT

ELLLTC 12.1 APPLICABILITY OF RULES OF APPELLATE PROCEDURE

The Rules of Appellate Procedure serve as guidance for review under this title except as to matters specifically dealt with in these rules.

ELLLTC 12.2 METHODS OF SEEKING REVIEW

(a) Two Methods for Seeking Review of Board Decisions. The methods for seeking Supreme Court review of Board decisions entered under rule 11.12(c) are: review as a matter of right, called "appeal", and review with Court permission, called "discretionary review". Both "appeal" and "discretionary review" are called "review".

(b) Power of Court Not Affected. This rule does not affect the Court's power to review any Board decision recommending suspension or revocation and to exercise its inherent and exclusive jurisdiction over the LLLT discipline and disability system. The Court notifies the respondent LLLT and disciplinary counsel of the Court's intent to exercise sua sponte review within 90 days of the Court receiving notice of the decision under rule 3.5(a), rule 7.1(h), or otherwise.

ELLLTC 12.3 APPEAL

(a) Respondent's Right to Appeal. The respondent LLLT has the right to appeal a Board decision recommending suspension or revocation. There is no other right of appeal.

(b) Notice of Appeal. To appeal, the respondent must file a notice of appeal with the Clerk within 15 days of service of the Board's decision on the respondent.

ELLLTC 12.4 DISCRETIONARY REVIEW

(a) Decisions Subject to Discretionary Review. Board decisions under rule 11.12(e) not subject to appeal under ELLLTC 12.3 are subject to Supreme Court review only through discretionary review. The Court accepts discretionary review only if:

- (1) the Board's decision is in conflict with a Supreme Court decision;
- (2) a significant question of law is involved;
- (3) there is no substantial evidence in the record to support a material finding of fact on which the Board's decision is based; or
- (4) the petition involves an issue of substantial public interest that the Court should determine.

(b) Petition for Review. Either party may seek discretionary review by filing a petition for review with the Court within 25 days of service of the Board's decision.

(c) Content of Petition; Answer; Service; Decision. A petition for review should be substantially in the form prescribed by RAP 13.4(c) for petitions for Supreme Court review of Court of Appeals decisions. References in that rule to the Court of Appeals are considered references to the Board. The appendix to the petition or an appendix to an answer or reply may additionally contain any part of the record, including portions of the transcript or exhibits, to which the party refers. RAP 13.4(d) – (h) govern answers and replies to petitions for review and related matters including service and decision by the Court.

(d) Acceptance of Review. The Court accepts discretionary review of a Board decision by granting a petition for review. Upon acceptance of review, the same procedures apply to matters subject to appeal and matters subject to discretionary review.

ELLLTC 12.5 RECORD TO SUPREME COURT

(a) Transmittal. The Clerk should transmit the record to the Supreme Court within 30 days of the filing of the notice of appeal, service of the order accepting review, or filing of the transcript of oral argument before the Board, if any.

(b) Content. The record transmitted to the Court consists of:

- (1) the notice of appeal, if any;
- (2) the Board's decision;
- (3) the record before the Board;
- (4) the transcript of any oral argument before the Board; and
- (5) any other portions of the record before the hearing officer, including any public file documents or exhibits, that the Court deems necessary for full review.

(c) Notice to Parties. The Clerk serves each party with a list of the portions of the record transmitted.

(d) Transmittal of Cost Orders. Within ten days of entry of an order assessing costs under rule 13.9(e), the Clerk should transmit it to the Court as a separate part of the record, together with the supporting statements of costs and expenses and any exceptions or reply filed under rule 13.9(d).

(e) Additions to Record. Either party may at any time move the Court for an order directing the transmittal of additional portions of the record to the Court.

ELLLTC 12.6 BRIEFS

(a) Brief Required. The party seeking review must file a brief stating his or her objections to the Board's decision.

(b) Time for Filing. The brief of the party seeking review should be filed with the Supreme Court within 30 days of service under rule 12.5(c) of the list of portions of the record transmitted to the Court.

(c) Answering Brief. The answering brief of the other party should be filed with the Court within 30 days after service of the brief of the party seeking review.

(d) Reply Brief. A reply brief of a party seeking review should be filed with the Court within the sooner of 20 days after service of the answering brief or 14 days before oral argument. A reply brief should be limited to a response to the issues in the brief to which the reply brief is directed.

(e) Briefs When Both Parties Seek Review. When both the respondent LLLT and disciplinary counsel seek review of a Board decision, the respondent is deemed the party seeking review for the purposes of this rule. In that case, disciplinary counsel may file a brief in reply to any response the respondent has made to the issues presented by disciplinary counsel, to be filed with the Court the sooner of 20 days after service of the respondent's reply brief or 14 days before oral argument.

(f) Form of Briefs. Briefs filed under this rule must conform as nearly as possible to the requirements of RAP 10.3 and 10.4. Public file documents should be abbreviated PF, the transcript or partial transcript of the hearing should be abbreviated TR, and exhibits should be abbreviated EX.

(g) Reproduction and Service of Briefs by Clerk. The Supreme Court Clerk reproduces and distributes briefs as provided in RAP 10.5.

ELLLTC 12.7 ARGUMENT

- (a) **Rules Applicable.** Oral argument before the Supreme Court is conducted under title 11 of the Rules of Appellate Procedure, unless the Court directs otherwise.
- (b) **Priority.** Disciplinary proceedings have priority and are set upon compliance with the above rules.

ELLLTC 12.8 EFFECTIVE DATE OF OPINION

- (a) **Effective when Filed.** An opinion in a disciplinary proceeding takes effect when filed unless the Court specifically provides otherwise.
- (b) **Motion for Reconsideration.** A motion for reconsideration may be filed as provided in RAP 12.4, but the motion does not stay the judgment unless the Court enters a stay.

ELLLTC 12.9 VIOLATION OF RULES

Sanctions for violation of these rules may be imposed on a party under RAP 18.9. Upon dismissal under that rule of a review sought by a respondent LLLT and expiration of the period to file objections under RAP 17.7, or upon dismissal of review by the Court if timely objections are filed, the Board's decision is final.

TITLE 13 – SANCTIONS AND REMEDIES

ELLLTC 13.1 SANCTIONS AND REMEDIES

Upon a finding that an LLLT has committed an act of misconduct, one or more of the following may be imposed:

(a) Sanctions.

- (1) Revocation;
- (2) Suspension under rule 13.3; or
- (3) Reprimand.

(b) Admonition. An admonition under rule 13.5.

(c) Remedies.

- (1) Restitution;
- (2) Probation;
- (3) Limitation on practice as an LLLT;
- (4) Requirement that the LLLT attend continuing education courses;
- (5) Assessment of costs; or
- (6) Other requirements consistent with the purposes of LLLT discipline.

ELLLTC 13.2 EFFECTIVE DATE OF SUSPENSIONS AND REVOCATIONS

Suspensions and revocations are effective on the date set by the Supreme Court's order, which will ordinarily be seven days after the date of the order. If no date is set, the suspension or revocation is effective on the date of the Court's order.

ELLLTC 13.3 SUSPENSION

(a) Term of Suspension. A suspension must be for a fixed period of time not exceeding one year.

(b) Reinstatement.

- (1) After the period of suspension, the Clerk may submit to the Court a recommendation that the respondent LLLT be returned to the respondent's status before the suspension upon:
 - (A) the respondent's compliance with all current licensing requirements; and
 - (B) certification by the Clerk or disciplinary counsel that the respondent has complied with any specific conditions ordered, and has paid any costs or restitution ordered or is current with any costs or restitution payment plan.
- (2) A respondent may ask the Chair to review an adverse determination by disciplinary counsel regarding compliance with the conditions for reinstatement, payment of costs or restitution, or compliance with a costs or restitution payment plan. On review, the Chair may modify the terms of the payment plan if warranted. The Chair determines the procedure for this review. The Chair's ruling is not subject to further review. If the Chair determines that the Board should review the matter, the Chair directs the procedure for Board review and the Board's decision is not subject to further review.

ELLLTC 13.4 REPRIMAND

(a) Administration. The Board administers a reprimand to a respondent LLLT by written statement signed by the Chair.

(b) Notice and Review of Contents. The Clerk must serve the respondent with a copy of the proposed reprimand. Within five days of service of the proposed reprimand, the respondent may

file a request for review of the content of the proposed reprimand. This request stays the administration of the reprimand. When timely requested, the Board reviews the proposed reprimand in light of the decision or stipulation imposing the reprimand and may take any appropriate action. The Board's action is final and not subject to further review. If no request is received, the content of the reprimand is final, and the reprimand is administered.

ELLLTC 13.5 ADMONITION

(a) By the Discipline Committee.

- (1) The discipline committee may issue an admonition when investigation of a grievance shows misconduct.
- (2) A respondent LLLT may protest either the discipline committee's or the Board's prehearing issuance of an admonition by filing a notice to that effect with the Clerk within 30 days of service of the admonition. Upon receipt of a timely protest, the admonition is rescinded, and the grievance is deemed ordered to hearing.

(b) Following a Hearing. A hearing officer or panel may recommend that a respondent receive an admonition following a hearing.

(c) By Stipulation. The parties may stipulate to an admonition under rule 9.1.

(d) Effect. An admonition is admissible in subsequent disciplinary or disability proceedings involving the respondent. Rule 3.6(b) governs destruction of file materials relating to an investigation or hearing concluded with an admonition, including the admonition.

(e) Action on Board Review. Upon review under Title 11, the Board may dismiss, issue an admonition, or impose sanctions or other remedies under rule 13.1.

(f) Signing of Admonition. The discipline committee chair signs an admonition issued by the discipline committee. The Board Chair or the Chair's designee signs all other admonitions.

ELLLTC 13.6 DISCIPLINE FOR CUMULATIVE ADMONITIONS

(a) Grounds. An LLLT may be subject to sanction or other remedy under rule 13.1 if the LLLT receives three admonitions within a five year period.

(b) Procedure. Upon being presented with evidence that a respondent LLLT has received three admonitions within a five year period, the discipline committee may authorize the filing of a formal complaint based solely on the provisions of this rule. A proceeding under this rule is conducted in the same manner as any disciplinary proceeding. The issues in the proceeding are whether the respondent has received three admonitions within a five year period and, if so, what sanction or other remedy should be recommended.

ELLLTC 13.7 RESTITUTION

(a) Restitution May Be Required. A respondent LLLT who has been sanctioned under rule 13.1 or admonished under rule 13.5(b) may be ordered to make restitution to persons financially injured by the respondent's conduct.

(b) Payment of Restitution.

- (1) A respondent ordered to make restitution must do so within 30 days of the date on which the decision requiring restitution becomes final, unless the decision provides otherwise or the respondent enters into a periodic payment plan with the Clerk or disciplinary counsel.
- (2) The Clerk or disciplinary counsel may enter into an agreement with a respondent for a reasonable periodic payment plan if:
 - (A) the respondent demonstrates in writing present inability to pay restitution and
 - (B) the Clerk or disciplinary counsel consults with the persons owed restitution.

- (3) A respondent may ask the Chair to review an adverse determination by the Clerk or disciplinary counsel of the reasonableness of a proposed periodic payment plan for restitution. The Chair directs the procedure for this review. The Chair's ruling is not subject to further review. If the Chair determines that the Board should review the matter, the Chair directs the procedure for Board review and the Board's decision is not subject to further review.

(c) Failure To Comply. A respondent's failure to make restitution when ordered to do so, or to comply with the terms of a periodic payment plan may be grounds for discipline.

ELLLTC 13.8 PROBATION

(a) Conditions of Probation. A respondent LLLT who has been sanctioned under rule 13.1 or admonished under rule 13.5(b) may be placed on probation for a fixed period of two years or less.

- (1) Conditions of probation may include, but are not limited to requiring:
 - (A) alcohol or drug treatment;
 - (B) medical care;
 - (C) psychological or psychiatric care;
 - (D) professional office practice or management counseling; or
 - (E) periodic audits or reports.
- (2) Upon the Clerk or disciplinary counsel's request, the Chair may appoint a suitable person to supervise the probation. Cooperation with a person so appointed is a condition of the probation.

(b) Failure To Comply. Failure to comply with a condition of probation may be grounds for discipline and any sanction imposed must take into account the misconduct leading to the probation.

ELLLTC 13.9 COSTS AND EXPENSES

(a) Assessment. The Board's and the Association's costs and expenses may be assessed as provided in this rule against any respondent LLLT who is ordered sanctioned or admonished.

(b) Costs Defined. The term "costs" for the purposes of this rule includes all monetary obligations, except attorney fees, reasonably and necessarily incurred by the Board or the Association in the complete performance of its duties under these rules, whether incurred before or after the filing of a formal complaint. Costs include, by way of illustration and not limitation:

- (1) court reporter charges for attending and transcribing depositions or hearings;
- (2) process server charges;
- (3) necessary travel expenses of hearing officers, hearing panel members, disciplinary counsel, the Clerk, investigators, or witnesses;
- (4) expert witness charges;
- (5) costs of conducting an examination of books and records or an audit under title 15;
- (6) costs incurred in supervising probation imposed under rule 13.8;
- (7) telephone toll charges;
- (8) fees, costs, and expenses of a lawyer appointed under rule 8.2 or rule 8.3;
- (9) costs of copying materials for submission to the discipline committee, a hearing officer or panel, or the Board; and
- (10) compensation provided to hearing officers or panel members under rule 2.9.

(c) Expenses Defined. "Expenses" for the purposes of this rule means a reasonable charge for

attorney fees and administrative costs. Expenses assessed under this rule may equal the actual expenses incurred by the Board or the Association, but in any case cannot be less than the following amounts:

- (1) for an admonition that is accepted under rule 13.5(a), \$750;
- (2) for a matter that becomes final without review by the Board, \$1,500;
- (3) for a matter that becomes final following Board review, without review by the Supreme Court, a total of \$2,000;
- (4) for a matter reviewed by the Supreme Court but not requiring briefing, a total of \$2,500; and
- (5) for a matter reviewed by the Supreme Court in which briefing is required, a total of \$3,000.

(d) Statement of Costs and Expenses, Exceptions, and Reply.

- (1) *Timing.* Disciplinary counsel or the Clerk must file a statement of costs and expenses with the Clerk within 20 days from any of the following events:
 - (A) an admonition is accepted;
 - (B) the decision of a hearing officer or panel or the Board imposing an admonition or a sanction becomes final;
 - (C) a notice of appeal from a Board decision is filed and served; or
 - (D) the Supreme Court enters an order requiring briefing in a matter it is reviewing.
- (2) *Content.* A statement of costs and expenses must state with particularity the nature and amount of the costs claimed and also state the expenses requested. The Clerk or disciplinary counsel must sign the statement, and this signature constitutes a certification that all reasonable attempts have been made to insure the statement's accuracy.
- (3) *Service.* The Clerk serves a copy of the statement on the respondent.
- (4) *Exceptions.* The respondent may file exceptions no later than 20 days from service of the statement of costs and expenses.
- (5) *Reply.* Disciplinary counsel may file a reply no later than ten days from service of any exceptions.

(e) Assessment. The Chair enters an order assessing costs and expenses in favor of the Association after the expiration of the time for filing exceptions or replies.

(f) Review of Chair's Decision.

- (1) *Matters Reviewed by Court.* In matters reviewed by the Supreme Court, the Chair's decision is subject to review only by the Court.
- (2) *All Other Matters.* In all other matters, the following procedures apply:
 - (A) *Request for Review by Board.* Within 20 days of service on the respondent of the order assessing costs and expenses, either party may file a request for Board review of the order.
 - (B) *Board Action.* Upon the timely filing of a request, the Board reviews the order assessing costs and expenses, based on disciplinary counsel's statement of costs and expenses and any exceptions or reply, the decision of the hearing officer or panel or of the Board, and any written statement submitted by either party within the time directed by the Chair. The Board may approve or modify the order assessing costs and expenses. The Board's decision is final when filed and not subject to further review.

(g) Assessment in Matters Reviewed by the Court. When a matter is reviewed by the Court, any order assessing costs and expenses entered by the Chair under section (e) and the statement of costs and expenses and any exceptions or reply filed in the proceeding are included in the

record transmitted to the Court. Upon filing of an opinion by the Court imposing a sanction or admonition, costs and expenses may be assessed in favor of the Association under the procedures of RAP Title 14, except that "costs" as used in that title means any costs and expenses allowable under this rule.

(h) Assessment Discretionary. Assessment of any or all costs and expenses may be denied if it appears in the interests of justice to do so.

(i) Payment of Costs and Expenses.

- (1) A respondent ordered to pay costs and expenses must do so within 30 days of the date on which the assessment becomes final, unless the order assessing costs and expenses provides otherwise or the respondent enters into a periodic payment plan with disciplinary counsel.
- (2) The respondent must pay interest on any amount not paid within 30 days of the date the assessment is final at the maximum rate permitted under RCW 19.52.020.
- (3) Disciplinary counsel or the Clerk may enter into an agreement with a respondent for a reasonable periodic payment plan if the respondent demonstrates in writing present inability to pay assessed costs and expenses.
 - (A) Any payment plan entered into under this rule must provide for interest at the maximum rate permitted under RCW 19.52.020.
 - (B) A respondent may ask the Chair to review an adverse determination by disciplinary counsel regarding specific conditions for a periodic payment plan. The Chair directs the procedure for this review. The Chair's ruling is not subject to further review. If the Chair determines that the Board should review the matter, the Chair directs the procedure for Board review, and the Board's decision is not subject to further review.

(j) Failure To Comply. A respondent's failure to pay costs and expenses when ordered to do so or to comply with the terms of a periodic payment plan may be grounds for discipline.

(k) Costs in Other Cases. Rule 9.1 governs costs and expenses in cases resolved by stipulation. Rule 8.6 governs assessment of costs and expenses in disability proceedings.

(l) Money Judgment for Costs and Expenses. After the assessment of costs and expenses is final, upon application by the Association, the Supreme Court commissioner or clerk may enter a money judgment on the order for costs and expenses if the respondent has failed to pay the costs and expenses as provided by this rule. The Association must serve the application for a money judgment on the respondent under rule 4.1. The respondent may file an objection with the commissioner or clerk within 20 days of service of the application. The sole issue to be determined by the commissioner or clerk is whether the respondent has complied with the duty to pay costs and expenses under this rule. The commissioner or clerk may enter a money judgment in compliance with RCW 4.64.030 and notify the Association and the respondent of the judgment. On application, the commissioner or clerk transmits the judgment to the clerk of the superior court in any county selected by the Association and notifies the respondent of the transmittal. The clerk of the superior court files the judgment as a judgment in that court without payment of a filing fee.

TITLE 14 – DUTIES ON SUSPENSION OR REVOCATION

ELLLTC 14.1 NOTICE TO CLIENTS IN WHICH LLLT IS PROVIDING SERVICES; PROVIDING PROPERTY BELONGING TO CLIENTS IN WHICH LLLT IS PROVIDING SERVICES

(a) Providing Clients' Property. An LLLT who has been suspended, revoked, or transferred to disability inactive status must provide each client to a transaction in which the LLLT is providing services with the client's assets, files, and other documents in the LLLT's possession.

(b) Notice if Suspended for 60 Days or Less. An LLLT who has been suspended for 60 days or less under rule 13.3 must within ten days of the effective date of the suspension:

- (1) notify every client to a transaction in which the LLLT is providing services, of the suspension, the reason therefor, and of the LLLT's consequent inability to act as an LLLT after the effective date of the suspension, and advise each of these clients to seek prompt substitution of another LLLT; and
- (2) notify the LLLT's employer and all others seeking to employ the LLLT of the suspension, the reason therefor, and consequent inability to act during the suspension.

(c) Notice if Otherwise Suspended or Revoked An LLLT whose license has been revoked, or suspended for more than 60 days as a disciplinary sanction, suspended for nonpayment of fees or under Title 7 or APR 28 must within ten days of the effective date of the revocation or suspension notify every client to a transaction in which the LLLT is providing services of the LLLT's inability to act as the LLLT for the transaction and the reason therefor, and advise the client to seek LLLT services elsewhere.

(d) Notice if Transferred to Disability Inactive Status. An LLLT transferred to disability inactive status, or his or her guardian if one has been appointed, must give all notices required by section (c), except that the notices need not refer to disability.

ELLLTC 14.2 LLLT TO DISCONTINUE PRACTICE AS AN LLLT

A revoked or suspended LLLT, or an LLLT transferred to disability inactive status, must not practice as an LLLT after the effective date of the revocation, suspension, or transfer to disability inactive status, and also must take whatever steps are necessary to avoid any reasonable likelihood that anyone will rely on him or her as an LLLT. This rule does not preclude a revoked or suspended LLLT, or an LLLT transferred to disability inactive status, from disbursing assets held by the LLLT to parties to transactions or other persons.

ELLLTC 14.3 AFFIDAVIT OF COMPLIANCE

Within 10 days of the effective date of an LLLT's revocation, suspension, or transfer to disability inactive status, the LLLT must serve on the Clerk an affidavit stating that the LLLT has fully complied with the provisions of this title. The affidavit must also provide a mailing address where communications to the LLLT may thereafter be directed. The LLLT must attach to the affidavit copies of the form letters of notification sent to the parties to transactions in which the LLLT was providing services together with a list of names and addresses of all persons, entities or parties to whom notices were sent. The affidavit is a confidential document except the LLLT's mailing address is treated as a change of mailing address.

ELLLTC 14.4 LLLT TO KEEP RECORDS OF COMPLIANCE

When an LLLT's certification has been revoked, suspended, or transferred to disability inactive status the LLLT must maintain written records of the various steps taken by him or her under this title, so that proof of compliance will be available in any subsequent proceeding

TITLE 15 – AUDITS AND TRUST ACCOUNT OVERDRAFT NOTIFICATION

[ELLLTC 15.1-15.3 Reserved]

ELLLTC 15.4 TRUST ACCOUNT OVERDRAFT NOTIFICATION

(a) Overdraft Notification Agreement Required. To be authorized as a depository for LLLT trust accounts, a bank, credit union, savings and loan association, or qualified public depository must file with the Legal Foundation of Washington (Legal Foundation) an agreement as provided for under ELC 15.4(a) and (b). The Legal Foundation maintains a list of financial institutions authorized to establish LLLT trust accounts and publishes the list on a website maintained by the Legal Foundation for public information.

Costs. Nothing in these rules precludes a financial institution from charging a particular LLLT or Firm for the reasonable cost of producing the reports and records required by this rule, but those charges may not be a transaction cost charged against funds payable to the Legal Foundation of Washington under LLLT RPC 1.15 A(i)(1).

(b) Notification by LLLT. Every LLLT or Firm who receives notification that any instrument presented against the LLLT's or Firm's trust account was presented against insufficient funds, whether or not the instrument was honored, must promptly notify the Clerk of the Limited License Legal Technician Board of the following information:

- (A) the identity of the financial institution;
- (B) the identity of the LLLT or Firm;
- (C) the account number; and
- (D) either:
 - (i) the amount of overdraft and date created; or
 - (ii) the amount of the returned instrument(s) and the date returned.

The LLLT or Firm must include a full explanation of the cause of the overdraft.

[ELLLTC 15.5-15.6 Reserved]

TITLE 16 – EFFECT OF THESE RULES ON PENDING PROCEEDINGS

ELLLTC 16.1 EFFECT ON PENDING PROCEEDINGS

These rules and any subsequent amendments will apply in their entirety, on the effective date as ordered by the Supreme Court, to any pending matter or investigation that has not yet been ordered to hearing. They will apply to other pending matters except as would not be feasible or would work an injustice. The hearing officer or panel chair assigned to hear a matter, or the Chair in a matter pending before the Board, may rule on the appropriate procedure with a view to insuring a fair and orderly proceeding.

TO: WSBA Board of Governors
CC: Terra Nevitt, Executive Director
FROM: Julie Shankland, General Counsel
DATE: September 15, 2022
RE: Proposed Conflict of Interest Policy

DISCUSSION AND POTENTIAL ACTION: Consider and discuss next steps for recommended changes to the Board's Conflict of Interest Policy

Action Required Prior to Consideration or Discussion

This issue was considered and tabled at the May 2022 Board of Governors meeting. The Board will need to take affirmative action to resume consideration of this matter.

Background

WSBA member Gabe Galanda raised an issue with the scope of the Board's conflict of interest policy. Given Mr. Galanda's concern, the Office of General Counsel was asked to review the current conflict policy and recommend changes.¹ The recommended policy changes do not address Mr. Galanda's concerns directly. Rather, the changes are based on best practices research.

My understanding of Mr. Galanda's continuing concern is that the current policy does not prevent "the appearance of conflict associated with somebody simultaneously wearing (or leveraging) three hats—(1) WSBA licensed attorney, (2) WSBA Governor/Officer, (3) Judge in Washington State—it falls short and the public's faith in the WSBA and our profession at large could further erode."²

Summary of Changes to the Policy

The recommended policy has new definitions, a procedure to follow, and a changed annual disclosure statement. The definitions of conflict of interest are broadened to include personal and professional conflicts, in addition to financial conflicts which are covered in the existing policy. A new procedure involving disclosure and a decision whether to recuse from participation is recommended. The annual disclosure statement acknowledges that the Governors and Officers have read and will abide by the policy, rather than making a list of all potential conflicts.

Stakeholder Input

Stakeholder input has not been gathered. The Board can determine the next steps in this process.

¹ Mr. Galanda initially raised this issue in the context of a client representation. On February 15, 2022, the Ninth Circuit Court of Appeals issued a nonpublished opinion resolving the client matter with no finding of a conflict of interest. Consequently, the proposed changes relate to improving the policy, not to issues in Mr. Galanda's client matter.

² Quoted from Mr. Galanda's April 25, 2022 email.

WSBA RISK ANALYSIS:

Having a robust conflict of interest policy with clear definitions and an understandable process reduces risk.

WSBA FISCAL ANALYSIS:

None identified.

Attachments

1. Proposed Conflict of Interest Policy
2. Current Conflict of Interest Policy

BOARD OF GOVERNORS
CONFLICT OF INTEREST POLICY

Amended and approved by the Board of Governors [DATE]
(Supersedes Conflict of Interest Policy Approved July 26, 2007)

I. Purpose

The Board of Governors Conflict of Interest Policy is intended to protect the interests of the Washington State Bar Association (WSBA) when it is contemplating entering into a transaction, arrangement, or other action that might benefit the private interest of a Governor or an Officer of the WSBA. The proper leadership of the WSBA depends upon members of the Board of Governors (including the Officers) who give of their time and knowledge for the benefit of the WSBA and its goals. Governors and Officers have a duty of loyalty to the WSBA, which requires them to exercise their powers in the interest of the WSBA, and not in their own interests or those of another person or entity.

Governors and Officers bring varied backgrounds and interests to the work of the WSBA and may have interests that are in conflict with those of the WSBA. The purpose of this Policy is to help inform Governors and Officers about what constitutes a conflict of interest, to assist the Governors and Officers in identifying and disclosing actual and potential conflicts, and to help ensure the avoidance of known conflicts of interest.

All conflicts of interest are not necessarily prohibited or harmful to the WSBA; however, full disclosure of all conflicts is required. Governors and Officers have the continuing, affirmative duty to report any personal, financial interest, or other relationship that might affect their ability to exercise impartial, ethical, and business-based judgments in fulfilling their responsibilities to the WSBA. The existence of an actual, perceived, or potential conflict of interest should be addressed by full disclosure of the conflict to the Board of Governors. The Governor or Officer having the conflict shall withdraw from any discussion or vote on any matter in which the conflict is involved. The Board of Directors will take any action required to ensure that the conflict of interest is resolved.

The Board of Governors (Board) of the WSBA accordingly resolves as follows:

II. Definitions

1. “Conflicts of interest”: the term “conflict of interest” includes any actual, perceived, or potential conflict of interest (conflict). The term includes, but is not limited to, the following:



- a. any ownership or financial interest in any entity with which the WSBA has a transaction, arrangement, or other action;
 - b. any compensation arrangement with the WSBA or with any entity or individual with which the WSBA has a transaction, arrangement, or other action;
 - c. any potential ownership or financial interest in, or compensation arrangement with, any entity or individual with which the WSBA is negotiating a transaction, arrangement, or other action;
 - d. any other personal, professional, or financial interest in a matter under consideration by the Board of Governors that is of such significance to a Governor or Officer, a Governor's or Officer's immediate family, or anyone associated with a Governor or Officer, that the interest would reasonably be perceived by an objective, disinterested third party as having the potential to influence the independent, unbiased judgment of the Governor or Officer if called upon to discuss or vote on the matter;
 - e. any other circumstances where a Governor's or Officer's duties to the WSBA conflict with other commitments or obligations owed by the Governor or Officer to other persons or entities, such that the Governor or Officer cannot fully discharge their fiduciary duties or responsibilities to the WSBA.
2. "Actual conflict of interest": a situation where a Governor or Officer has a direct or indirect personal, professional, or business interest that is sufficiently connected to their duties and responsibilities as a Governor or Officer that it influences the exercise of these duties and responsibilities.
 3. "Perceived conflict of interest": a situation where well-informed persons could have a reasonable belief that a Governor or Officer has an actual conflict of interest, even where that is not the case.
 4. "Potential conflict of interest": a situation where a Governor or Officer has a direct or indirect personal, professional, or business interest that could influence the performance of their duties or responsibilities as Governor or Officer, provided that they have not yet exercised that duty or responsibility.
 5. "Immediate family": the term "immediate family" includes a sibling, parent, spouse, domestic partner, child and the child of a spouse or domestic partner of a Governor or Officer.

III. Procedures

1. Duty to Disclose

It is the duty of each Governor and Officer to be conscious of any actual, perceived, or potential conflict of interest between that Governor or Officer and the WSBA, and to act with candor and care in such a situation. Governors and Officers must promptly disclose to the Board of Governors, before the Board takes any action on the matter, the existence, nature and extent of and all material facts related to any conflict of interest that the Governor or Officer, any member of their immediate family may have, whether individually, through

personal, professional, or business relationships, transactions, or otherwise. At the beginning of every meeting of the Board of Governors, the President (or the Governor presiding over the meeting) is to ask and have recorded in the minutes whether any Governor or Officer has a conflict to declare with respect to any agenda item. A Governor's or Officer's disclosure shall be noted in the minutes of the Board of Governors meeting and made a part of the records of the WSBA. The minutes of the Board of Governors must be maintained per WSBA's Records Retention Schedule.

2. Determining Whether a Conflict of Interest Exists

- a. After disclosure of a conflict of interest and any discussion with the Governor or Officer regarding the conflict pursuant to section 1 of these procedures, the Board of Governors shall determine whether a conflict of interest exists.
- b. A Governor or Officer having a conflict of interest must be absent from any discussion of the matter, must not use the Governor's or Officer's personal influence with respect to the matter, and must abstain from casting any vote on resolution of the conflict.
- c. The minutes of the Board of Governors must contain the name of the Governor or Officer who disclosed a conflict of interest, the nature of the conflict, the Board of Governor's determination as to whether a conflict of interest existed and any action taken by the Board of Governors to resolve the conflict. The Governor's or Officer's absence from the discussion and the vote of the Board must be noted in the minutes.

3. Due Diligence

This policy is not intended to prohibit or restrain the WSBA from (a) entering into transactions with a Governor or Officer or person or entity in which a Governor or Officer has an interest or (b) taking action on any other matter under consideration by the Board for which a Governor or Officer, or their immediate family member, has a significant personal interest.

Those transactions should be approved or actions taken, however, only in circumstances where the approval process is scrupulously disinterested and fair, and where the best interest of the WSBA is the clear and overriding consideration leading to the approval.

If any Governor, Officer, or WSBA member discovers that the Board has voted or acted on a proposal in ignorance of an undisclosed conflict of interest by a Governor or Officer, the Governor, Officer, or WSBA member should promptly disclose the matter to the entire Board. If the Board determines that the involvement of the said Governor or Officer influenced the decision of the matter, the Board shall promptly re-examine the matter using the procedures outlined in this Policy and may rescind, vary, or confirm its prior decision, or may take any other corrective action.

4. Procedures for Addressing a Conflict of Interest

- a. After determination that a conflict of interest exists pursuant section 2 of these procedures, the Board of Governors shall provide a disinterested review of the matter that is the subject of the conflict of interest.
 - b. The Board of Governors shall exercise due diligence pursuant to section 3 of these procedures before entering into any transaction with a Governor, Officer, or person or entity in which a Governor or Officer has an interest or taking action on any other matter before the Board for which a Governor or Officer, or a Governor's or Officer's immediate family member, has a significant personal interest.
 - c. The conflicted Governor or Officer must be absent from discussion on the matter for which the conflict of interest arises except as provided in section 4(d) of these procedures, must not use the Officer's or Governor's personal influence with respect to the matter, and must abstain from casting any vote on the matter for which the conflict of interest arises.
 - d. With respect to a contemplated transaction, to the extent that the Board determines that the conflicted Governor or Officer can provide information that may be useful in making the Board's decision, the Governor or Officer having the conflict may provide that information to the Board and answer pertinent questions from the other members of the Board before the Board casts its vote on matter that is the subject of the conflict of interest. After providing the requested information, the Governor or Officer having a conflict shall comply with section 4(c) of these procedures.
 - e. The minutes of the Board of Governors must contain the names of the members of the Board of Governors who were present for the discussions and vote relating to the matter for which a conflict of interest was found to exist, the content of the discussion, and a record of any votes taken on the matter that is the subject of the conflict. The conflicted Governor's or Officer's absence from the discussion and the vote of the Board must be noted in the minutes of the Board meeting.
5. Annual Conflict of Interest Policy Acknowledgement Statements: Each year each Governor and Officer shall complete and deliver to the President a Conflict of Interest Policy Acknowledgement Statement ("Statement") in the form approved by the Board. By executing the Statement each Governor and Officer shall acknowledge the Governor's or Officer's knowledge of this Policy and pledge compliance with this Policy's rules Annual Statements completed and delivered to the President pursuant to this section must be maintained per WSBA's Records Retention Schedule.
6. Review of the Policy: The Board of Governors shall review this Policy at least annually for the information and guidance of members of the Board. Each new Governor and Officer shall be advised of the Policy and asked to sign the enclosed Conflict of Interest Policy Acknowledgement Statement.

BOARD OF GOVERNORS
CONFLICT OF INTEREST POLICY ACKNOWLEDGEMENT STATEMENT

Approved by the Board of Governors [DATE TBD]

I confirm that I have (a) received a copy of the WSBA Board of Governors Conflict of Interest Policy (the “Policy”), (b) read and understand the Policy, (c) agree to comply with the Policy.

DATED: _____

Signature

Print Name



WSBA

OFFICE OF THE GENERAL COUNSEL

Robert D. Welden
General Counsel

direct line: 206-727-8232
fax: 206-727-8314
e-mail: bobw@wsba.org

BOARD OF GOVERNORS CONFLICT OF INTEREST POLICY Approved by the Board of Governors July 27, 2007

Purpose and Statement of Policy:

The Board of Governors Conflict of Interest Policy is intended to protect the interests of the Washington State Bar Association when it is contemplating entering into a transaction, arrangement, or other action that might benefit the private interest of an Officer or Governor of the WSBA. The proper leadership of the WSBA depends upon members of the Board of Governors (including the Officers) who give of their time and knowledge for the benefit of the WSBA and its goals. Governors have a duty of loyalty to the WSBA, which requires them to exercise their powers in the interest of the WSBA, and not in their own interests or those of another person or entity.

Governors bring varied backgrounds and interests to the work of the WSBA and may have interests that are in conflict with those of the WSBA. The existence of an actual or potential conflict of interest should be addressed by full disclosure of the conflict to the Board of Governors. The Governor having the conflict should withdraw from any discussion or vote on any matter in which the conflict is involved.

The Board of Governors of the WSBA accordingly resolves as follows:

Procedures:

1. Duty to Disclose: It is the duty of each Officer and Governor to be conscious of any actual or potential conflict of interest between that Officer or Governor and the Association, and to act with candor and care in such a situation. An Officer or Governor must disclose to the Board of Governors, before the Board takes any action on the matter, the nature and extent of any direct, indirect or potential conflict of interest that the Officer or Governor, or any member of his or her immediate family may have, whether individually, through business relationships or transactions, or through investment relationships or transactions. For purposes of this policy, the term "immediate family" includes the following: (1) an Officer's or Governor's spouse or domestic partner; (2) a child of an Officer or Governor or of an Officer's or Governor's spouse or domestic partner; and (3) other dependent relatives of an Officer or Governor or of an Officer's or Governor's spouse or domestic partner if living in his or her household. Conflicts of interest that require disclosure include, but are not limited to, (a) any ownership or financial interest in any entity with which the WSBA has a transaction, arrangement or other action, (2) any compensation arrangement with the WSBA or with any entity or individual with which the WSBA

Working Together to Champion Justice

has a transaction, arrangement or other action, and (3) any potential ownership or financial interest in, or compensation arrangement with, any entity or individual with which the WSBA is negotiating a transaction, arrangement or other action. An Officer's or Governors' disclosure shall be noted in the minutes of the Board meeting and made a part of the records of the WSBA.

2. Meeting Procedure: The Board of Governors shall provide a disinterested review of the matter that is the subject of a conflict of interest. An Officer or Governor having a conflict of interest should absent himself or herself from any discussion of the matter, should not use his or her personal influence with respect to the matter, and should abstain from casting any vote. To the extent that the remaining members of the Board determine that the Officer or Governor can provide information that may be useful, the Officer or Governor having a conflict may provide that information to the Board and answer pertinent questions from the other members of the Board before the Board casts its vote. An Officer or Governor having a conflict of interest shall not be counted as present for the purpose of determining whether a quorum is established, even if permitted by law. The Officer's or Governor's absence from the discussion and vote of the Board, and the establishment of the quorum without counting that Officer or Governor, shall be noted in the minutes of the Board meeting and made a part of the records of the WSBA.

3. Due Diligence: This policy is not intended to prohibit or restrain the WSBA from entering into transactions with an Officer or Governor or person or entity in which an Officer or Governor has an interest. Those transactions should be approved, however, only in circumstances where the approval process is scrupulously disinterested and fair, and where the best interest of the WSBA is the clear and overriding consideration leading to the approval. If any Officer or Governor discovers that the Board has acted on a proposal in ignorance of an undisclosed conflict of interest, the Officer or Governor should promptly disclose the matter to the entire Board, and the Board should promptly re-examine the matter using the procedures outlined in this policy.

4. Corporate Opportunity: Before an Officer or Governor enters into a transaction which he or she reasonably should know may be of interest to the WSBA, the Officer or Governor should disclose the transaction to the Board in sufficient detail, and with adequate advance notice, that the Board has adequate information and time to allow it to act or decline to act with respect to the transaction.

5. Annual Statements: Each year each Officer and Governor shall complete and deliver to the President a disclosure statement in the form approved from time to time. By executing the statement each Officer and Governor shall acknowledge his or her knowledge of this policy, and disclose any conflicts of interest that the Officer or Governor may have, or be likely to have, with the WSBA. All Officers' and Governors' disclosures shall be made a part of the records of the WSBA.

6. Review of this Policy: The Board of Governors shall review this policy at least annually for the information and guidance of members of the Board. Each new Officer and Governor shall be advised of the policy and asked to complete the disclosure statement.



WSBA

WASHINGTON STATE BAR ASSOCIATION

**BOARD OF GOVERNORS
CONFLICT OF INTEREST DISCLOSURE**
Approved by the Board of Governors July 27, 2007

Name: _____

1. I certify that I have read the WSBA Board of Governors Conflict of Interest Policy and agree to abide by it.

2. During the past 12 months, have you or any member or your immediate family as defined in the Board of Governors Conflict of Interest Policy had any ownership or financial interest in any entity with which the WSBA has a transaction, arrangement or other action? If yes, please explain:

3. During the past 12 months, have you or any member or your immediate family as defined in the Board of Governors Conflict of Interest Policy had any compensation arrangement with the WSBA or with any entity or individual with which the WSBA has a transaction, arrangement or other action? If yes, please explain:

4. During the past 12 months, have you or any member or your immediate family as defined in the Board of Governors Conflict of Interest Policy had any potential ownership or financial interest in, or compensation arrangement with, any entity or individual with which the WSBA is negotiating a transaction, arrangement or other action? If yes, please explain:

DATED _____

signature

print name

TO: WSBA Board of Governors
CC: Terra Nevitt, Executive Director
FROM: Governor Lauren Boyd and Governor Alec Stephens
DATE: September 16, 2022
RE: Executive Director's Annual Evaluation – Update and Plan

DISCUSSION & ACTION: To update the Board of Governors (BOG) on the working group's plan for the Executive Director's evaluation

In the July 2022 Board Meeting, Govs. Boyd and Stephens volunteered to work with Glynnis Klinefelter Sio, HR Director and Rick Park, FIT HR Consultant on the Executive Director Evaluation. The group met on August 4, 2022 and agreed to the following timeline and plan:

Timeline:

- September 2022: This workgroup will bring to the BOG a proposal and plan (outlined below)
- October 2022: The work will be passed back to the Personnel Committee for content and tool finalization
- November 2022: Get Board approval to launch the evaluation
- January/February 2023: Evaluation is done
- Early Spring 2023: Results are discussed

Plan:

- This workgroup will focus on finalizing review content toward the end of the fiscal year. This content will drive a review period covering October 1, 2021 through March 31, 2023. During this review period, the BOG reviewers will comprise Officers and Governors serving through September 2022 and Officers and Governors serving from October 2022 through March 2023. None of those eligible evaluators will get more than 1 survey instrument.
- The next review period will cover April 1 through September 30, 2023
- Future reviews will coincide with the fiscal year with or without a mid-year option
- Two versions of the ED evaluation will be prepared – one for the BOG and one for the Executive Leadership Team (ELT)
- The evaluations will include draft content which will be updated as follows:
 - o Personnel Committee with ED (HR Director Support)
 - o BOG Reviews/Comments and provides approval to implement pursuant to instructions to Personnel Committee with HR Director to finalize and implement.
 - o Personnel Committee with HR Director finalize and implement.
 - o BOG/ED/ELT informed

- Intra-review period updates, where necessary, will follow this process:
 - o Personnel Committee/ED/ HR Director Initiate
 - o Board of Governors Review
 - o Personnel Committee/ HR Director
- All Input will be solicited and finalized near the end of the review period.
- BOG will review results with ED.
- Initial content will reflect the following areas:

Goals/Responsibilities/Projects (Sample)

Responsibility	Program Design and Management
Responsibility	Budget Design and Management
Responsibility	Board Support and Relations
Responsibility	Supporting/Representing Membership
Responsibility	Marketing/Representing WSBA "Brand"
Project/Goal	Rural Practice Program (Example)
Project/Goal	Increase Pro and Low Bono Opportunities (Example)

Knowledge/Skills/Abilities (Sample)

KSA	Strategic Thinking
KSA	Leadership
KSA	Problem Solving
KSA	Communication
KSA	Political/Organizational Savvy
KSA	Promoting DEI
KSA	Building Relationships/Collaboration

WASHINGTON STATE BAR ASSOCIATION

TO: WSBA Board of Governors
FROM: Todd Alberstone, MCLE Board Chair
Adelaine Shay, WSBA MCLE Manager
DATE: September 7, 2022
RE: Suggested Amendment to Admission and Practice Rule (APR) 11

INFORMATION: In accordance with APR 11(d)(2)(i), the MCLE Board presents to the WSBA Board of Governors the final suggested amendment to Rule 11 of the Admission and Practice Rules (APR) regarding the establishment of MCLE credit for tutors in the APR 6 Law Clerk Program.

Pursuant to APR 11(d)(2)(i), “The MCLE Board shall review and suggest amendments or make regulations to APR 11 as necessary to fulfill the purpose of MCLE and for the timely and efficient administration of these rules and for clarification of education requirements, approved activities, and approved course subjects. Suggested amendments are subject to review by the Board of Governors and approval by the Supreme Court.”

MCLE Board Chair Todd Alberstone and Vice-Chair Robert Malae presented the MCLE Board’s preliminary suggested amendments to APR 11 regarding the establishment of MCLE credit for tutors in the APR 6 Law Clerk Program at the WSBA Board of Governors meeting in July. The Board of Governors decided to support the preliminary suggested amendments. Taking into consideration the feedback and support from the WSBA Board of Governors, the MCLE Board made revisions to the suggested amendments and decided at its August meeting to proceed.

The attached suggested amendments as revised by the MCLE Board clarify that law clerk tutors are eligible for “law and legal” credit, in addition to “other” and ethics credits, by stating clerks are participating in “courses” (see APR 11(c)(1)). Additionally, the revisions create a new subsection so that law clerk tutoring will have its own approved activity category instead of having the credit consolidated with the law school teaching category. The revisions are intended to assist with implementing the suggested amendment, without impacting the spirit of the preliminary suggested amendments presented at the July Board of Governors meeting.

The MCLE Board will submit the suggested amendments to the Supreme Court for consideration in October.

Attachments:

- Suggested Amendments to APR 11 — Redline dated September 6, 2022

WSBA RISK ANALYSIS:

Recommending this rule change to the Court does not appear to create legal risk for the WSBA.



SUGGESTED AMENDMENTS TO APR 11 (Redline)

1 **TITLE**

2 ADMISSION AND PRACTICE RULES (APR)

3 **RULE 11. MANDATORY CONTINUING LEGAL EDUCATION (MCLE)**

4 **(a) – (e)(9)** No Changes.

5 **(10)** Tutoring clerks through the APR 6 Law Clerk Program courses when providing “personal
6 supervision” as defined in APR 6(d)(2).

7 **(f) – (k)** No Changes.

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LEGAL FOUNDATION

OF WASHINGTON

**2021 ANNUAL REPORT TO THE
WASHINGTON SUPREME COURT**

May 4, 2022

The Board of Trustees of the Legal Foundation of Washington report annually to the members of the Washington Supreme Court pursuant to Rule 15.7(a) of the Rules for Enforcement of Lawyer Conduct, which provides that:

The Foundation shall prepare an annual report to the Supreme Court of Washington that summarizes the Foundation's income, grants and operating expenses, implementation of its corporate purposes and any problems arising in the administration of the program established by section (2) of this rule.

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FOUNDATION OPERATIONS

The Legal Foundation of Washington has been in operation since 1984. LFW's Articles of Incorporation, Article VII, provides for a nine-member Board of Trustees to maintain oversight of LFW's activities. Trustees serve staggered three-year terms and are eligible to serve a second three-year term. The Supreme Court, the Governor, and the Board of Governors of the Washington State Bar Association each appoint three of the nine Trustees.

Governance

Our 2021 Board of Trustees were:

President: Michael Pontarolo, Spokane attorney

Vice-President: Candelaria Murillo, Kennewick attorney, *She currently serves as President*

Secretary: Sean M. Davis, Seattle attorney

Treasurer: Gary Melonson

Joanna Plichta Boisen, Seattle attorney

Juli Farris, Seattle attorney

Mark A. Griffin, Seattle attorney

Mark A. Johnson, Seattle attorney

Fred Rivera, Seattle attorney

The Board of Trustees met four times during 2021

February 5, 2021 (Seattle) – Board meeting and Annual Goldmark Award Luncheon

April 28, 2021 (Virtual) – Board meeting and Annual Report to the Washington Supreme Court

September 23, 2021 (Virtual) – Board meeting

November 19, 2021 (Virtual) – Board meeting to determine annual grants

Board Committees

LFW's stewardship of its mission was carried out during 2021 through service on six regular Board committees. Their responsibilities were as follows:

- (1) **Executive Committee**, chaired by President Michael Pontarolo and composed of the four Board officers. Provides guidance when the full Board is not available.
- (2) **Audit Committee**, chaired by Treasurer, Gary Melonson and oversees the annual audit in accordance with nonprofit best practices.
- (3) **Finance Committee**, chaired by Treasurer, Gary Melonson. Responsible for the operating budget, LFW's depository banking relationship, and its investments.
- (4) **Grants Committee**, chaired by Vice-President, Candelaria Murillo. Reviews annual grant applications and makes recommendations to LFW's Board of Trustees concerning all grant issues.
- (5) **Goldmark Award Committee**, chaired by Vice-President, Candelaria Murillo. Selects the recipient of the Charles A. Goldmark Distinguished Service Award and plans the annual Goldmark Award Luncheon.
- (6) **Goldmark Internship Committee**, chaired by Mark Griffin. Selects the recipient of the Goldmark Equal Access to Justice Internship and the program where the intern is placed.

FISCAL ADMINISTRATION

While IOLTA receipts continued to decline from their height in 2019, philanthropy and public funding remaining strong in response to the needs brought on by the continued impacts of the COVID-19 pandemic.

Summary of 2021 LFW Income, Operating Expenses, and Grant Obligations

2021 Income

Net Interest on IOLTA Accounts	\$3,434,641
Investment Earnings (<i>realized and unrealized</i>)	950,481
Office of Civil Legal Aid	3,514,000
Contributions & Grants	3,542,948
COVID-related Grants	23,115,637
Cy Pres Awards	367,049
Total Revenues	\$34,924,756

2021 Operating Expenses and Grant Obligations

Grants Awarded ¹	\$20,377,696
COVID-related Grants & Expenses	22,863,928
Other Program Support Expenses ²	885,412
Administration & Fundraising	1,043,347
Total Expenses	\$45,170,383

Staffing LFW's financial operations are Nancy Smith, CPA, MBA, and Lauren Sutherland and Kay Acholonu, Staff Accountants. Gary Melonson served as Treasurer in 2021 and chaired the Finance Committee which – along with LFW's Board of Trustees – provided oversight of the budget, investments, and financial reports.

¹ Grants obligations represent awards approved November 20, 2021 for distribution in 2021 and 2022.

² Other Program Support Expenses include Case Management Software Fees, Pro Bono Support and Grantee Malpractice Insurance and Interpretation Services, as well as LFW program staff.

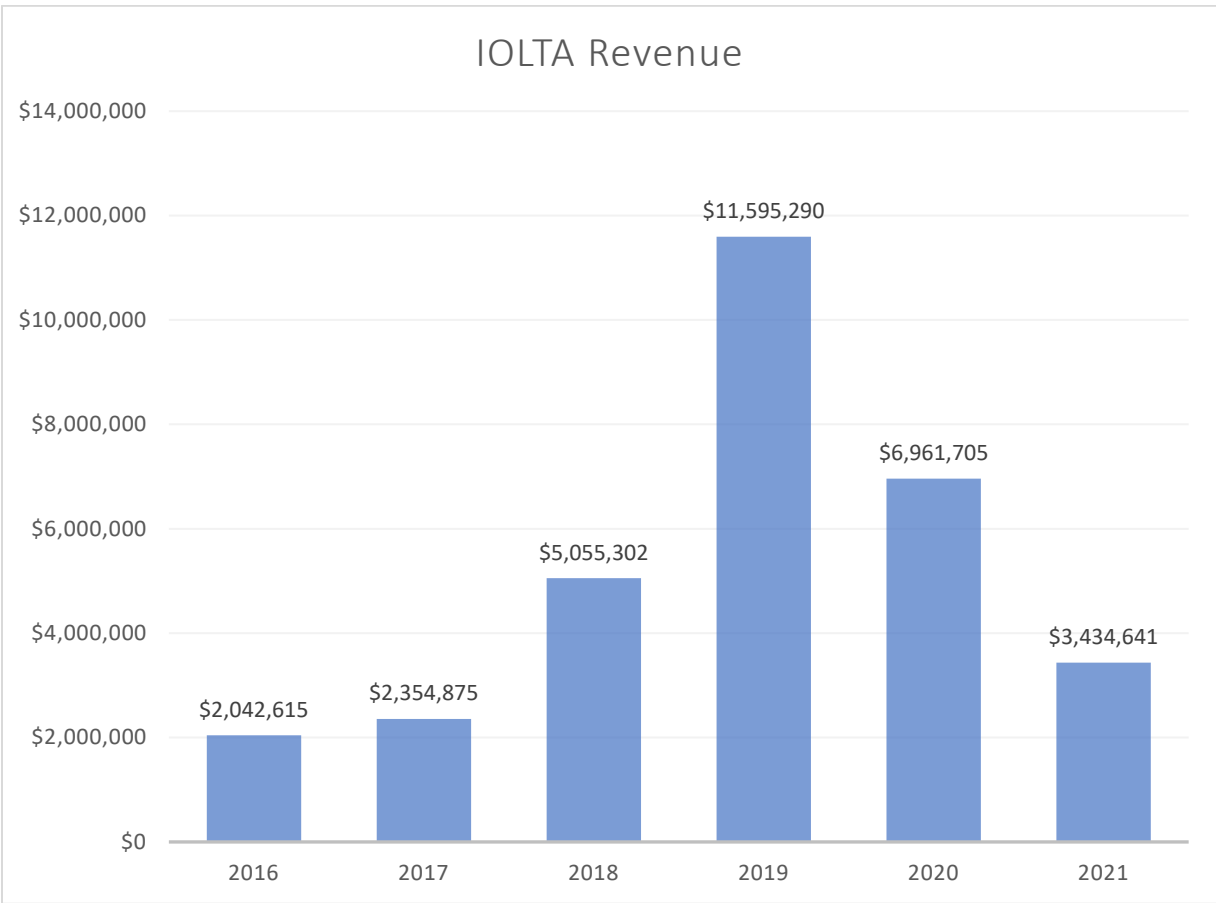
Audit

BDO USA, LLP, provided an independent audit of LFW’s financial statements and issued an unmodified (“clean”) opinion for 2021. Due to the timing of the audit, the final report is not available at the time of this report to the court. A copy of the final audit report will be forwarded to the court as an addendum to this report when it becomes available.

In addition, BDO provided a “Single Audit” as required by the Uniform Guidance that applies to recipients of Federal awards in excess of \$750,000. The audit resulted in no “findings” of weaknesses or deficiencies.

IOLTA

The IOLTA (Interest on Lawyers Trust Accounts) program consists of Lawyers, Limited Practice Officers (LPO), and Limited License Legal Technicians (LLLT) holding IOLTA accounts. IOLTA revenue (net of fees) for 2021 was \$3.4M, a 49% decrease from the previous year.



There are 82 financial institutions handling IOLTA accounts in Washington state. The interest rates on IOLTA accounts range from .01% to 1%. 72% of the financial institutions do not charge fees on IOLTA accounts. The top five financial institutions, Key Bank, Wells Fargo Bank, First American Trust, Union Bank, and Columbia Bank made up 63% of IOLTA revenue for 2021.

The interest rate that a financial institution pays on IOLTA accounts must be comparable to the rates they offer on similar business accounts, unless the institution chooses the safe harbor rate pegged to the Fed Funds rate. After three years of keeping its benchmark interest rate near zero, in March 2022 the Federal Reserve raised the interest rates to .25% to .50%; more increases are expected throughout 2022 as the Fed responds to inflation. LFW closely monitors the movements in the Fed Funds rate, as well as the IOLTA rates. Any increases in rates paid on IOLTA accounts typically lag the increases in borrowing rates. As of this writing, LFW has yet to see any interest rates increase from the financial institutions.

Other Revenue Sources

In addition to IOLTA, LFW is fortunate to have other revenue sources from which to draw. The Campaign for Equal Justice raises private charitable support for civil legal aid. A more detailed account of their success follows later in this report; we are very grateful for the funds raised from the legal community in our state.

In 2021, the Endowment for Equal Justice made its fifth grant award to LFW. The \$942,624 grant from the Endowment will be used to help fund grants that will be distributed to our grantees in 2022.

Through our funding partnership with Northwest Justice Project and Office of Civil Legal Aid, over \$3.5 million in state funding was passed through to our grantees that did state-eligible work during 2021.

Thanks to the Supreme Court's adoption of our proposed amendments to Court Rule 23 in 2007 and 2017, *cy pres* awards continue to be an important source of revenue for civil legal aid. In 2021, we received *cy pres* awards of \$367,049.

COVID-related Grant-Making Opportunities

As an experienced grant-maker to organizations that strive to meet the needs of some of the most vulnerable, LFW was given the opportunity to administer special funding related to COVID-19 relief. Funded primarily by the Federal government as part of the CARES Act, LFW worked with OCLA as well Washington State Department of Social and Health Services.

Stabilizing Grants for the Future

While LFW experienced a surplus in 2019, the decline in IOLTA revenue is of concern. In 2019, the LFW Trustees undertook a project to structure cash reserves in such a way to provide for immediate short-term needs, a one to three-year near-term reserve, which would complement the already-existing Goldmark Fund (the reserve of last resort). The Trustees felt that it would be prudent to set aside these resources to help buffer future declines in IOLTA.

GRANTS INFORMATION

In 2021, LFW invested **\$12.7 million in grants** in Washington’s legal aid system, including more than \$1.6 million in COVID-19-related emergency eviction defense grants. As a result, **over 19,000 families received free one-on-one legal services** for help with urgent legal concerns and **hundreds of thousands benefitted from systemic advocacy** designed to address oppression, injustice, and root causes of poverty.

The State Plan for the Coordinated Delivery of Civil Legal Aid to Low-Income People continues to act as the keystone for LFW’s work, both internally and externally. Our grantmaking strategy focuses on the State Plan’s unified goals of race equity, legal education and awareness, access for underserved communities, holistic client-centered services and systemic advocacy. Internally, we have been applying an equity lens to our grantmaking practices to identify ways we can improve. Based on emerging best practices in the field, we have updated our approach to grant applications, reporting and grants administration.



Continued COVID-19 Response

Since the onset of the pandemic, low-income families in Washington have faced increasingly complex civil legal issues, including changes to public benefits, job loss, health issues, housing instability and a backlog in the courts causing civil issues to be postponed or unaddressed. Populations already experiencing disproportionate economic and civil legal needs have been the hardest hit by the COVID-19 crisis. For example, in Washington State, Native Hawaiians and Other Pacific Islanders (NHOPI) have been infected at five times the rate of white populations

and American Indian and Alaskan Native and Latinx populations infected at three times the rate of white populations.¹

In 2021, LFW continued to provide enhanced COVID-19-related support and resources to legal aid providers across the state. LFW has supported virtual clinic set-ups, enhanced technology and IT consulting, and additional emergency grants for COVID-specific programming including eviction defense, public benefits access for clients with disabilities, and direct aid for people excluded from COVID-stimulus and unemployment due to their immigrant status. We also prioritized systemic advocacy and impact litigation addressing the complex issues exacerbated by the pandemic.

LFW partnered with the Office of Civil Legal Aid to distribute over \$1.6 million in funding for legal aid services related to pre-eviction work that falls outside the scope of the new Right to Counsel for evictions. Together we identified pro bono programs across the state that were positioned to provide courthouse-based eviction defense for their communities. We have been working closely with these programs to train contract attorneys in eviction representation and conduct community outreach about tenants' rights. In 2021, Washington State passed one of the nation's first Right to Counsel bills for eviction, ensuring legal representation for low-income tenants. The Right to Counsel program covers evictions that have been formally filed, but does not encompass eviction prevention or any legal services needed pre-filing, such as Eviction Resolution mediation. For these reasons, continued grant support has been needed to ensure the best outcomes for clients.

Along with the Department of Social and Health Services and an alliance of immigrant advocates, we continued to support the second phase of the Washington Immigrant Relief Fund, quickly disbursing over \$60 million in direct payments to individuals ineligible for COVID stimulus and unemployment payments due to their immigration status.

¹ Washington State Department of Health <https://www.doh.wa.gov/Portals/1/Documents/1600/coronavirus/datatables/COVID-19MorbidityMortalityRaceEthnicityLanguageWASState.pdf>

Equitable Grantmaking Practices

Racial equity in the civil legal system is essential to LFW’s vision of “justice for all.” As a foundation, we play a unique role in advancing this work. The system of philanthropy and grantmaking has the power to resource communities or deepen inequities with its decisions. This is the reason LFW applies a race equity lens to all our practices, grant analysis, and allocation of resources.

Some areas we have focused on thus far include increasing investments in communities impacted most by systemic racism; analyzing demographics of poverty populations to identify funding disparities; creating channels for increased community input including by those directly impacted by poverty and oppression; supporting compensation equity; and building a Race Equity Grant program guided by community member input.

Over the last we year have continued to deepen our approach, gaining knowledge and best practices from peer grant maker coalitions and equity experts in the field of philanthropy and listening to stakeholder feedback to make our processes more accountable.

Actions we’ve taken in 2021 include:

- **Prioritizing multi-year grants and general operating funding** to increase the stability of resources and ability for programs to plan and grow. Providing multi-year general operating funding is a hallmark of equitable practices according to many leaders in the sector, including the [National Committee for Responsible Philanthropy](#), the [Trust-Based Philanthropy Project](#), [Grantmakers for Effective Organizations \(GEO\)](#), and the [Philanthropic Initiative for Racial Equity](#). For 2022, both LFW’s Partnership Grant and Race Equity Grants programs were expanded to pilot two-year grant terms and we strive to provide flexible, general operating funds whenever possible.
- **Improving our data collection metrics to include BIPOC leadership** as part of organizational demographics. BIPOC-led nonprofits have been disproportionately under-

resourced by funders for decades impeding their long-term growth, stability, and capacity to drive change.² As part of our standard application, we now ask applicants to self-report:

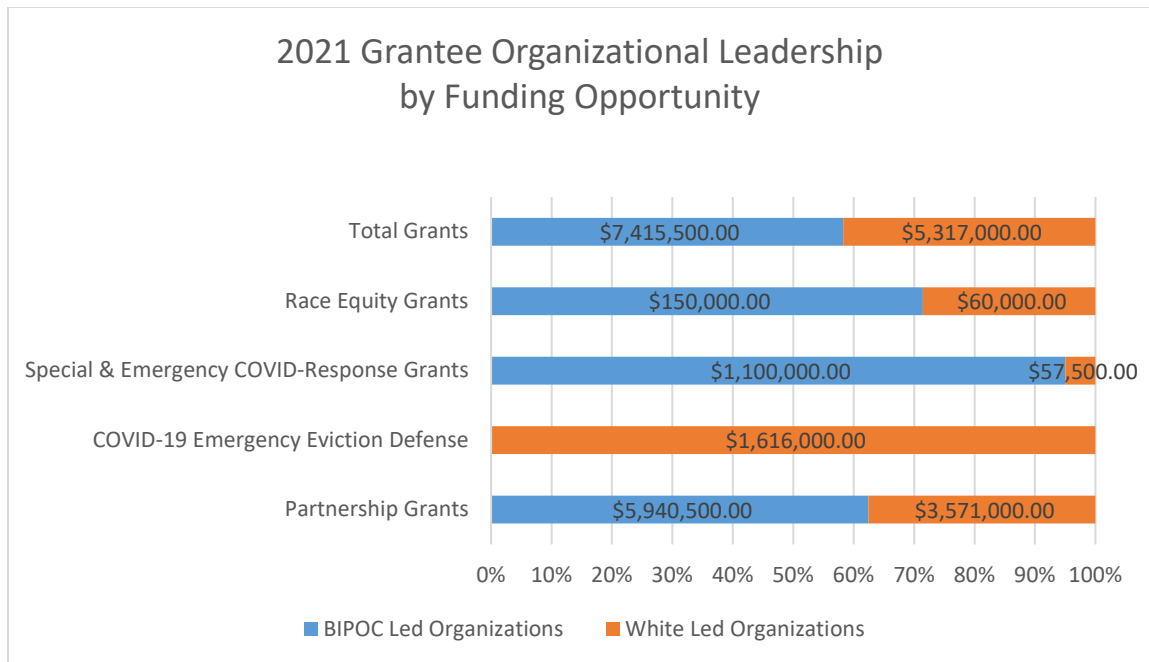
Does 50% or more of your senior leadership identify as BIPOC (Black, Indigenous and People of Color)? We define senior leadership as those with decision making power over the actions and budget of your organization.

With this new data, we can see that 58% of LFW’s 2021 funds went to BIPOC-led organizations:



When we disaggregated by grant type, it became clear that the percentage varies considerably across the opportunities. For example, the COVID-19 Emergency Eviction Defense Grants did not fund any BIPOC-led organizations in 2021. Those grants were made in partnership with the Office of Civil Legal Aid and were restricted to volunteer lawyer programs.

² <https://www.bridgespan.org/insights/library/philanthropy/disparities-nonprofit-funding-for-leaders-of-color>



We plan to continue to track this data each year and use the information to ensure our funding strategies align with our commitments to anti-racism, equity, and inclusion.

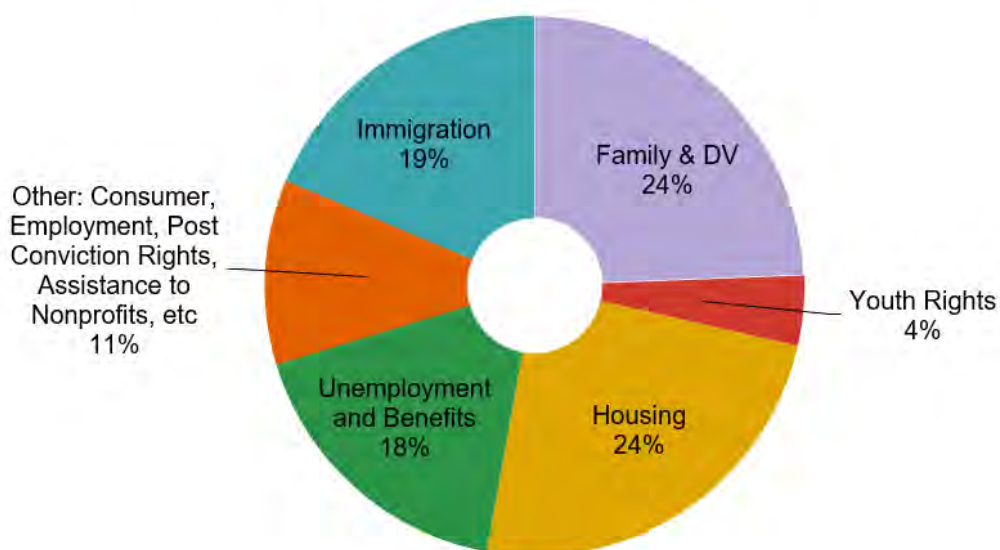
- **Removing barriers to potential grantees** by offering grant applications and reporting in languages other than English. In spring 2021, we conducted our first virtual video application with live interpretation between Spanish and English. We also started offering an oral reporting option to our Race Equity Grants.
- **Increasing transparency** about our funding opportunities, reporting requirements, and expectations. We added user-friendly instructions to each application and offer a pre-application webinar for every grant process to answer questions and provide guidance. The webinars are recorded and shared publicly on LFW's website. We've also started posting the full application questions on our website, with no login required.

We recognize that developing a robust equity practice is an ongoing process. We look forward to applying an authentic racial equity lens to our work as we continue to deepen our analysis in years to come.

Measuring the Impact of Legal Aid Funding

In 2021, LFW funded programs provided direct legal help to more than 19,000 individuals and families. The chart below shows the types of legal problems that were addressed. Housing, family law and immigration continue to be critical legal issues for low-income people in Washington. Even with an eviction moratorium in place for much of the year, housing issues continued to account for over 24% of closed legal cases for the year. Legal services related to public benefits and unemployment also increased this year.

Legal Problems Addressed in 2021

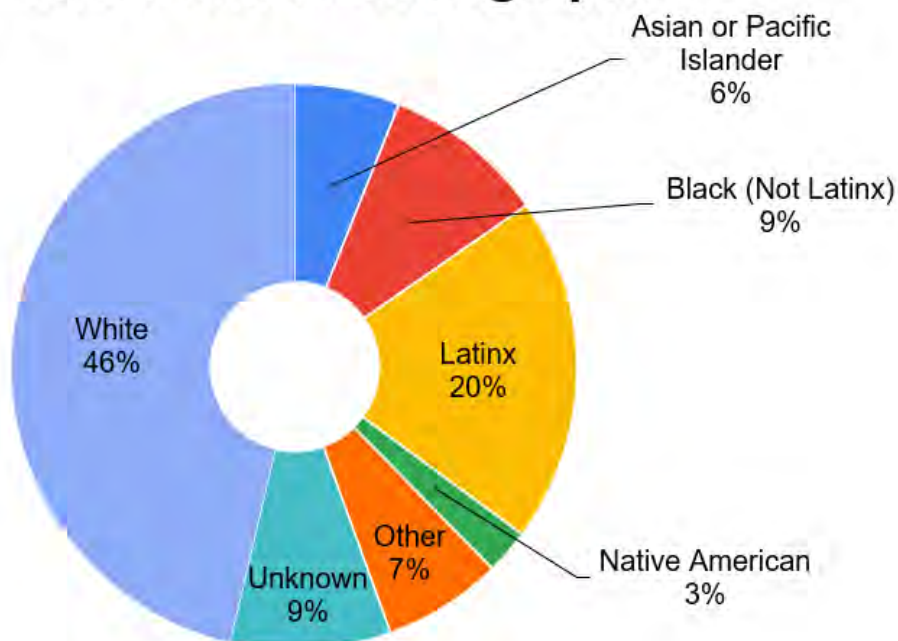


In addition to these individual cases, LFW grantees used systemic advocacy to secure legal rights for **hundreds of thousands of vulnerable people** in our state. For example, Columbia Legal Services, the recipient of LFW's largest grant, has continued to focus 2021 efforts on systemic advocacy and policy work. Legislative successes included bills that prohibit private for-profit detention, end the state prohibition on legal aid funding to serve people who are undocumented, reduce the impacts of failure to pay traffic tickets on low-income people, and expand wage liens.

Demographics and Accessibility

The following chart shows the race/ethnicity breakdown of clients served by LFW Partnership Grantees in 2021.

2021 Client Racial Demographics



Legal aid programs continue to prioritize accessible services, particularly to communities experiencing numerous systemic barriers. Prior to and during the pandemic, BIPOC (Black, Indigenous and People of Color) communities have been disproportionately impacted by a wide range of civil legal issues including unfair housing practices and homelessness³,

³ Washington State Health Assessment <https://www.doh.wa.gov/Portals/1/Documents/1000/SHA-HomelessnessandInadequateHousing.pdf>

unemployment⁴, incarceration rates and consequential need for re-entry legal support⁵, immigration defense⁶ and more.

Language access and interpretation is another essential component to providing equitable legal aid. In 2021, LFW continued our support for language access, funding numerous outreach efforts in multiple languages. See attachment B for an example of a multilingual COVID—19 Legal Needs Checklist created by the Access to Justice Board and funded by LFW. In addition to over-the-phone interpretation, LFW expanded interpretation resources to include video interpretation and American Sign Language.

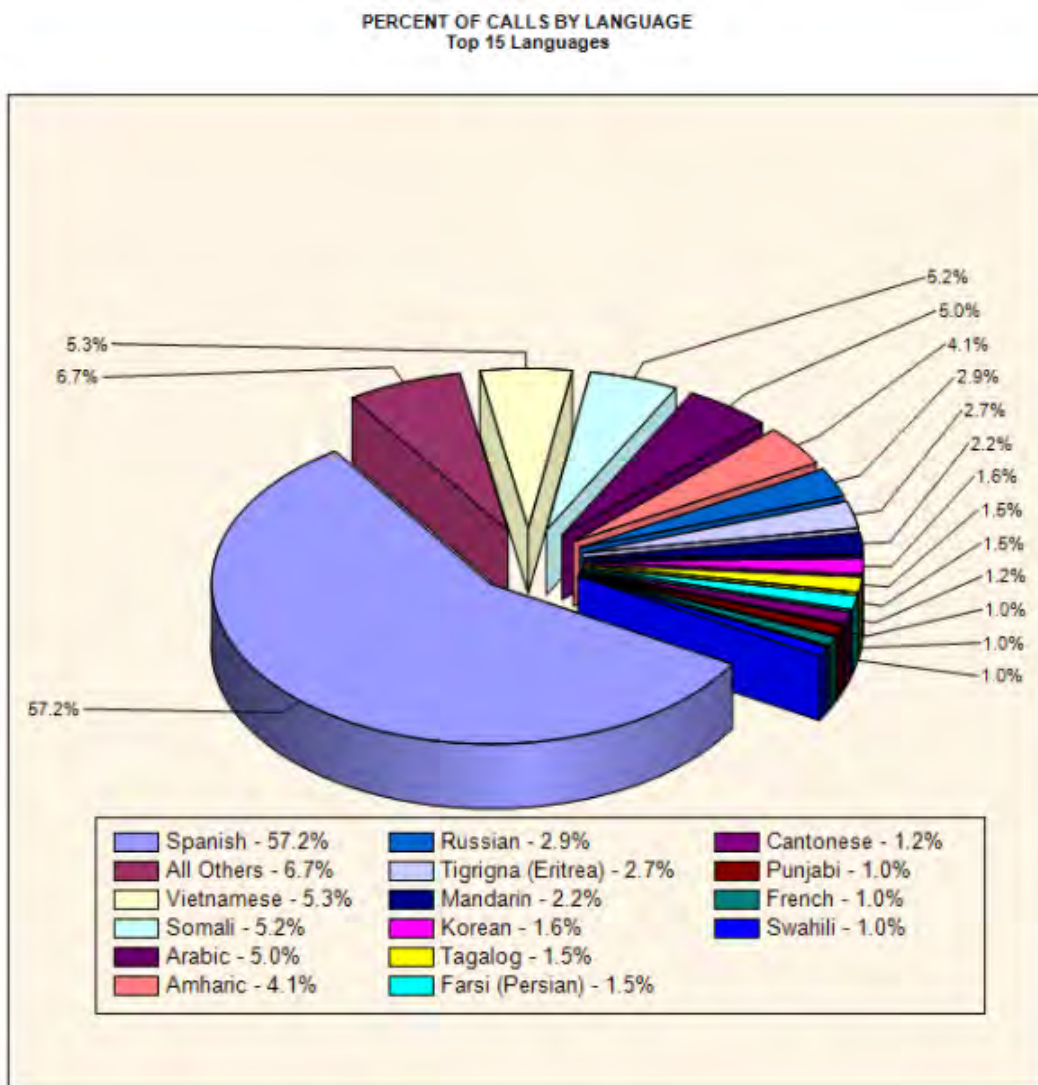
Legal aid clients received direct one-on-one legal services in more than fifty languages using bilingual attorneys, in-person interpreters, and telephonic interpretation. LFW funds a phone interpretation service for grantees, which was used for over 71,865 minutes of interpretation in 2021. This represents a 39% increase from the previous year and an almost 200% increase compared to 2019. The most requested languages for phone interpretation were Spanish (1,850 calls), Vietnamese (171 calls), Somali (167 calls), Arabic (163 calls), and Amharic (133 calls). We've seen a particularly large increase in languages other than Spanish over the last two years: Vietnamese (45 to 171), Somali (46 to 167), Amharic (16 to 133), Tigringa (11 to 88) and Farsi (8 to 48).

⁴ U.S Bureau of Labor Statistics https://www.bls.gov/web/empsit/cpsee_e16.htm

⁵ Report to the United Nations on racial Disparities in the U.S. Criminal Justice System <https://www.sentencingproject.org/publications/un-report-on-racial-disparities/>

⁶ American Immigration Council <https://www.americanimmigrationcouncil.org/research/immigrants-in-washington>

The following chart shows the fifteen languages most frequently utilized for phone interpretation in 2021:

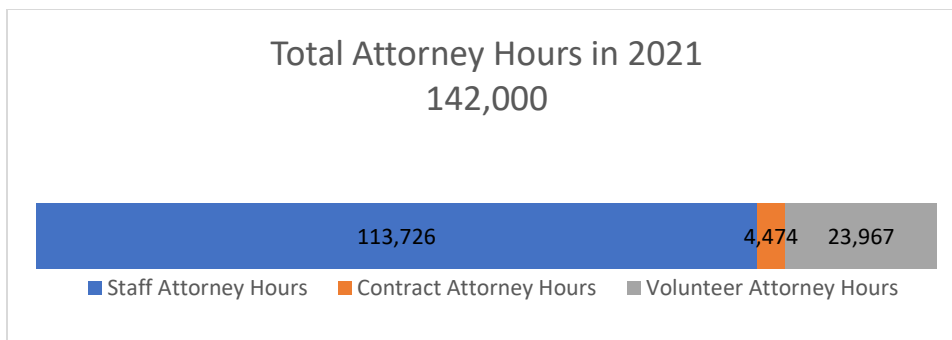


Free Attorney Services

LFW-funded programs recruit thousands of attorneys to provide pro bono legal assistance to low-income clients in their communities. In 2021, over 1,800 individual attorneys volunteered their time with LFW grantees. Attorneys provided free legal assistance through virtual clinics, in-person services and hybrids model. The following chart shows a breakdown of volunteer hours by legal aid program:

Hours of Free Legal Aid Donated by Attorneys in 2021	
Organization	
Benton Franklin Legal Aid	985
Blue Mountain Action Council	152
Chelan Douglas County VAS	586
Clallam-Jefferson County Pro Bono Lawyers	721
Clark County VLP	1,485
Columbia Legal Services	2,327
Cowlitz Wahkiakum Legal Aid	185
Eastside Legal Assistance Program	861
King County Bar Association	7,100
Kitsap Legal Services	813
Legal Assistance by Whatcom (LAW) Advocates	302
Northwest Immigrant Rights Project	3500
Skagit Legal Aid	250
Snohomish County Legal Services	650
Spokane County Bar Association VLP	1029
Tacoma-Pierce County Bar Association VLS Program	817
Thurston County Volunteer Legal Services	1,492
Unemployment Law Project	230
Yakima County Volunteer Attorney Services	482
TOTAL	23,967

In addition to pro bono volunteers, legal aid programs expanded their staff and contract attorneys to provide more legal services to clients in need. The total attorney hours in 2021 dedicated to legal services to clients exceeded 142,000 hours. This chart shows the breakdown by type of attorney:



LFW also provides annual funding for the Pro Bono Council, which supports volunteer lawyer programs across the state. Since its inception, this program has strengthened the network of pro bono programs and has been vital in supporting the programs as they expanded to offering Right to Counsel for eviction services across the state.



Client Stories

Client numbers represent the real-life stories of thousands of individuals and families whose lives have been dramatically impacted by LFW grants. The following client stories are examples of legal aid making a difference for low-income people in Washington:

“Robert”* a Skagit Legal Aid client:

Robert, a veteran, was living in a rented fifth-wheel trailer in remote eastern Skagit County. Without notice, his landlord forcibly evicted him from his home then physically dragged the trailer and dumped all its contents into a field. Robert had had no income at the time and was forced to live in a tent in the Sauk River Campground. Skagit Legal Aid first met Robert at their long-standing Concrete Legal Clinic. A Skagit Legal Aid volunteer attorney represented him in a wrongful eviction case and successfully negotiated a settlement on his behalf.

“May”* a Unemployment Law Project client

May, an immigrant from Thailand, sustained an injury at her workplace in Snohomish County. At first, she tried to work through the pain, but it became so unbearable that she requested a leave of absence. While on leave she sent her husband to pick up her paycheck. When he arrived, the employer asked him to sign some paperwork. The employer misled the husband by indicating that the paperwork was for the leave of absence, knowing that he could not read or speak English. It was actually a resignation letter. When she filed for benefits her claim was denied as a voluntary quit without good cause. An attorney from Unemployment Law Center represented her at the hearing and benefits were granted.

**Client names have been changed to preserve confidentiality*

Legal Aid Program Highlight: Legal Counsel for Youth and Children

In 2021, LCYC published, ["Invisible and Inaccessible: Young People's Perceptions of Civil Legal Aid,"](#) highlighting the perceptions and experiences of young people of color in King County and their knowledge of civil legal aid services. Their key findings were:



- Most young people do not know about civil legal services and are unaware that attorneys can help them with everyday situations to remove barriers to housing stability.
- When young people do interact with attorneys, the communication between them and the attorneys serving them is frustrating and problematic.
- The strained interaction between young people of color and the legal support system is heightened due to young people’s perception of attorneys’ internal biases and the existence of systemic racism.

The report includes recommendations for enhancing communication, attorney training and resources targeted to BIPOC youth.

2021 Special Grants

As the grant chart at *Attachment A* shows, LFW made targeted Special Grants to address critical issues. These grants included: \$25,000 to Colectiva Legal del Pueblo, \$75,000 to Communities Rise, \$25,000 to Fair Work Center, \$25,000 to the Laurel Rubin Farmworker Justice Project, and \$25,000 to Lavender Rights Project.



2021 Race Equity Grants

LFW's Race Equity Grant program continues to provide funding to advance racial justice in civil legal aid and build power in communities most impacted by structural racism and oppression. We use a participatory grantmaking model designed to center the voices of communities most impacted by grantmaking decisions. An advisory panel of community leaders who have lived experience with the legal aid system, poverty, and racism review grant applications and prioritize the projects that will be most impactful.

The goals of the Race Equity Grant program are to:

- invest in communities most impacted by structural racism and oppression;
- support community- and client-centered approaches to civil legal aid;
- increase civil justice for communities of color;
- build and support anti-racist organizations and leadership; and
- center those most impacted in the decision-making process.

Since the Race Equity Grant program's inception, two-thirds of awards went to BIPOC-led organizations and half were first-time grantees with LFW. The program also reflects LFW's statewide reach: 41% percent of grantees work statewide; 33% focus on Central and Eastern WA; 19% percent serve the Puget Sound region, and 7% cover other areas in WA.

In 2021, LFW received 53 eligible proposals totaling \$880,000 in requested funds. After a rigorous review process by the advisory panel, LFW awarded 15 grants. Funded organizations included: Korean Women's Association, La Casa Hogar, Pacific County Immigrant Support, Seattle Clemency Project, and the Tulalip Foundation. A full list of 2021 Race Equity Grants and a list of current Advisory Panel members is provided at Attachment C.

Race Equity Grant Program Highlight: The Way to Justice



The Way to Justice is a community legal aid organization in Spokane led and created by women of color, addressing the barriers facing individuals who have been negatively impacted by our justice system through direct representation, impact litigation, policy reform and advocacy work. It was founded by co-directors Virla Spencer and Cam Zorrozuva, former staff at the Center for Justice, after that program closed in March 2020.

With help from funding through the Spring 2021 cycle of LFW's Race Equity Grant program, The Way to Justice aims to expand the availability of civil legal aid services for the BIPOC community in Spokane County while continuing to call on the broader legal and justice system to examine and dismantle its racism. Current efforts include providing representation and assistance to clients who qualify for relief under the State v. Blake decision, post-conviction services for people who have completed their sentences and are eligible for relief including from legal financial obligations, driver's relicensing assistance, and the relaunching of "Justice Night," a

client-centered walk-in clinic formerly hosted by Center for Justice and in partnership with Northwest Justice Project, Gonzaga University School of Law, local volunteer attorneys, and others.

In 2022, we have expanded the grant awards to two-year terms with \$40,000 awards, for a total of \$320,000 in grants. Two-year grant terms and larger awards will deepen the impact of this funding, allowing for greater capacity to drive change and build power. Racial equity is foundational to legal aid and we believe this grant program will continue to elevate that work.

2021 Alliance Support Resources

In addition to direct grants to organizations, LFW supports the network of grantees by paying for shared resources to streamline operations and maximize their impact. In 2021, this included \$45,000 to JustLead to subsidize their year-long leadership academy, race equity trainings tailored to individual programs, equitable supervision series, and statewide equity work. LFW also provided about \$31,000 for professional liability insurance to cover volunteer attorneys around the state, \$105,000 for the shared case management system LegalServer, and \$60,000 for language interpretation services for our grantees. In addition, we made over \$55,000 in Grantee Support funds available for technology, training, and unexpected costs.

2022 Grant Awards Determined

In November 2021, the LFW Board of Trustees met and awarded a total of \$20 million in grants to over 30 programs throughout the state. This included \$19.6 million in Partnership Grants (all were multi-year, essentially doubling the award amount).

LFW also welcomed a new Partnership Grantee, Communities Rise. Communities Rise works with nonprofits, microenterprises and communities that have been impacted by systemic oppression to increase capacity and build power through legal



services, tools and training. The majority of their clients are BIPOC-led organizations serving low-income BIPOC communities in areas spanning from South King County to Walla Walla and Spokane. Communities Rise intentionally positions their services as part of a larger movement to address structural oppression and uplift communities of color. Communities Rise is the only nonprofit that offers this type of legal service in Washington State.

LFW Board of Trustees also approved Special Grant disbursements for targeted, equity-focused projects. Several of those grants are highlighted below:

- **\$40,000 to Colectiva Legal del Pueblo** for outreach and legal help to people with immigration legal issues. The legal aid organization is founded for and by undocumented immigrants working to build community leadership and power for migrant justice. Their community-centered approach has positioned them as a trusted resource to undocumented families during the pandemic.
- **\$25,000 to the Laurel Rubin Farmworker Justice Project's** fellowship program which provides internships for bilingual law students or law school-bound college students to work at legal aid organizations providing outreach to farmworkers in Washington.
- **\$40,000 to Lavender Rights Project**, a grassroots organization providing legal services by and for trans and non-binary people, with a focus on serving the Black and Indigenous genderdiverse community. They offer direct representation legal services as well as training for attorneys in areas disproportionately affecting the LGBTQ+ community, such as name and gender marker changes, estate planning issues and access to gender-affirming care.
- **\$25,000 to Living with Conviction** which works to bring an end to legal financial obligations (LFOs) that disproportionately impact communities of color. They have created an online Justice in Motion "app" that walks people with LFOs through a series of questions to prepare the necessary court paperwork for a reduction or waiver of their LFOs and their accrued interest. The app ultimately populates a .pdf of court forms for printing, filing, and serving as required. Funds are being used to launch this new resource to reach and serve more people with LFOs across Washington.

- **\$25,000 to Northwest Health Law Advocates & WA State Immigrant Solidarity Network** These two organizations are partnered in an advocacy effort to secure statewide healthcare for undocumented immigrants. They made progress in 2021 and are seeking funding to move the project forward. Funds will be subgranted to immigrant-led community organizations on the ground doing outreach, education and movement building around this effort.
- **\$25,000 to QLaw Foundation**, a legal aid organization promoting the dignity and respect of LGBTQ+ Washingtonians within the legal system through advocacy, education, and legal assistance.
- **\$300,000 to Northwest Justice Project** for operational costs not directly covered by public funds, pursuant to our long-standing funding partnership.

Grantee Oversight and Accountability

To ensure that grant funds are being used efficiently and effectively, LFW monitors grantees' operations in several ways. We review narrative reports covering all aspects of grantees' programs, including governance, client outreach, and community collaborations. LFW also reviews client service data via a statewide case management system. We conduct fiscal monitoring and review quarterly financial reports to ensure grantees adhere to accountability standards. For grantees receiving federal funds, we ensure that accounting practices and reporting meet federal standards. Based on the dollar amount of the grant, LFW also requires that each program submit an annual audit, financial review, or other form of financial report. Additionally, LFW visits grantees to evaluate client services delivery, administrative effectiveness, and financial accountability using a set of performance criteria developed by the Access to Justice Board.

EQUAL JUSTICE COALITION

The Equal Justice Coalition is a committee of the Access to Justice Board that is managed and funded by LFW. Its purpose is to advocate for public funding for civil legal aid. Staffed by LFW's Communications and Advocacy Director, the EJC works with contract lobbyists as well as elected officials, Alliance for Equal Justice partners, and stakeholders. Our Chair in 2020-21 was Kirsten Barron; in 2022-23 Kara Masters will assume that role.

Federal Funding

During the American Bar Association's Advocacy Days in April 2021, the EJC held virtual meetings between prominent local legal advocates, including Chief Justice González and WSBA president Kyle Sciuchetti, and members of Congress including Rep. Jaime Herrera Beutler, Rep. Rick Larsen, and Rep. Adam Smith. Advocates asked our Congressional delegation to support an annual budget increase for the Legal Services Corporation (LSC) of up to \$1.018B as well as increased emergency investment in COVID relief packages, similar to the \$50M for LSC included in the CARES Act in 2020. A Continuing Resolution was passed by Congress in August 2021, which did not provide certainty about the level of Federal funding by the end of the year.

State Funding

The 2021 state legislative session ended with full funding for the Office of Civil Legal Aid (OCLA) proposal, as reflected in Governor Inslee's budget, to invest \$11M over the biennium for COVID-related civil legal needs. This would maintain and expand on the \$5.55M in emergency funds OCLA secured for eviction defense, unemployment claims, and family law cases in 2020 (some of which was and continues to be granted out via LFW). OCLA also received significant appropriations increases connected to the new right-to-counsel laws in eviction and child dependency cases.

The EJC rallied members of the legal aid community to advocate for the \$11M investment during the all-remote legislative session via virtual meetings with legislators. The EJC also

continued to advocate for an equitable and effective allocation process of the new state COVID funds after the budget request was approved.

The budget appropriated the funding from the state general fund, but OCLA decided to continue its approach of mostly allocating COVID funds directly to programs, rather than through the funding partnership with LFW. The EJC recommended that the agency set up an open, competitive grant process for funding decisions (possibly using LFW's existing grantmaking infrastructure) to improve equity and transparency.

From the EJC's perspective, this process represents a significant improvement in community participation and transparency on OCLA's part, while still falling short of a truly inclusive grantmaking process for state funds.

We look forward to working with OCLA, Northwest Justice Project and other stakeholders to support an increase to general state funding for civil legal aid in the 2023 legislative session.

Local Funding

The EJC has worked throughout the pandemic with the network of Alliance partners in King County to secure the allocation of local emergency funding. After extensive EJC advocacy this summer, the King County Council allocated \$2M for legal aid programs in their supplemental package of American Rescue Plan funds in July.

Following the EJC's recommendation, the Council determined that this funding should again flow through LFW, working with the County Department of Community and Health Services, in a grant process open to all legal aid programs operating in King County. LFW crafted a grant application process focused on racial equity and accessibility and received proposals for more than \$4.4M in requested funds. Fourteen legal aid organizations were funded for a wide range of projects including education access for students with disabilities, immigration, and consumer law.

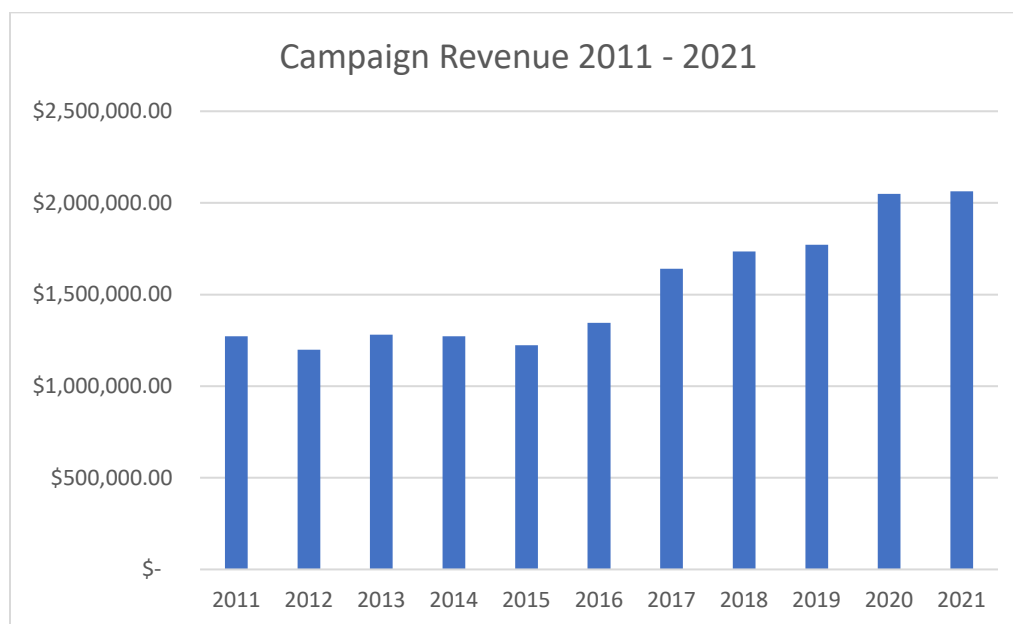
The EJC did some follow-up advocacy with the County and Council to ensure that the funds can be granted for the full range of legal services responding to COVID, particularly immigration and youth services, which were restricted from emergency County funds via the CARES Act last year.

RESOURCE DEVELOPMENT

Campaign for Equal Justice

The Campaign raised \$2,063,000 in 2021 after passing \$2 Million in 2020. Below is a chart of Campaign revenue for the past 11 years showing our recent annual growth. Since the Campaign began in 1992, we have raised almost \$33 Million to fund civil legal aid and systemic reforms to advance equal justice in Washington state.

THANK YOU to our Washington Supreme Court and to the Legal Foundation of Washington, Campaign for Equal Justice and Endowment for Equal Justice board members who contribute and support the Annual Campaign. We cannot do this work without you.



We've raised more money every year since 2016 and recognize that this trend will change at some point. Our strategy for 2022 includes a focus on stewardship and appreciation of our supporters to sustain current giving levels, as well as continue building a major gifts program for the Campaign for Equal Justice that focuses on gifts in the \$10,000 to \$100,000 range.

Top Campaign Initiatives

Here's a look at the top funding streams of the annual Campaign for Equal Justice. The Law Firm Campaign and Goldmark Lunch are usually our highest grossing fund drives annually, additionally this year the donation option on the WSBA Renewal form raised a record amount of funding. Across the US, many nonprofits saw an increase in donations in 2020 and 2021 due to the pandemic. With the increase in job loss and illness due to the covid pandemic, wealthier people with the means to donate increased their giving amounts to help meet the increased needs. It's a goal of the Campaign to retain donation levels by keeping our donors engaged and informed about the continuing high needs for legal services, especially for communities of color that have been hardest hit by the pandemic.

Annual Appeals	2021 raised	2020 raised
Law Firm Campaign	\$ 670,000.00	\$ 690,000.00
Goldmark Event	\$ 385,000.00	\$ 411,000.00
WSBA Renewal Form	\$ 402,000.00	\$ 178,000.00
Major Donor Gifts	\$ 221,000.00	\$ 161,000.00
End of Year Appeal	\$ 142,000.00	\$ 143,000.00
Associates Campaign	\$ 144,500.00	\$ 87,650.00
Beer & Justice events	\$ 70,000.00	\$ 42,000.00

2021 Law Firm Campaign for Equal Justice donors:



Arete Law Group	GLP Attorneys	Lighthouse Global	Schwabe, Williamson & Wyatt
Baker Hostetler	Gordon Thomas Honeywell	Marler Clark	Sebris Busto James
Barnard, Iglitzin, Lavitt	Gordon Tilden Thomas & Cordell LLP	Mary B Foster, PLLC	SEED Intellectual Property Law Group
Barrett & Gilman	Harbor Law Group	McGavick Graves	Simburg Ketter Sheppard & Purdy
Belcher Swanson	Harrigan Leyh Farmer & Thomsen	McNaul Ebel Nawrot & Helgren	Skellenger Bender
Bennett Bigelow & Leedom	Hay & Swann PLLC	MFR Law Group	Small, Snell, Weiss & Comfort, PS
Breskin, Johnson, Townsend	Helsell Fetterman	Miller Nash Graham & Dunn	Smith & Lowney
Buchalter	Herrmann Law Group	Narrows Law Group	Smith Alling
Byrnes Keller Cromwell	Hillis, Clark, Martin, & Peterson	Oseran, Hahn, Spring, Straight & Watts	Smith Goodfriend
Cairncross & Hempelmann	Hilyer Dispute Resolution	Pacifica Law Group	Socius Law Group
Connelly Law Offices	Hintze law	Palace Law Offices	Soha & Lang
Connor & Sargent	Insee Best	Patterson Buchanan Fobes & Leitch	Stadium Law Group, LLC
Corr Cronin LLP	Johnson Flora Sprangers	Perkins Coie	Stoel Rives
Cozen O'Connor	Joyce Ziker Parkinson	Pfau Cochran Vertetis Amala PLLC	Stokes Lawrence
Curran Law Firm	K&L Gates	Polsinelli	Summit Law Group
Cutler Nylander & Hayton	Karr Tuttle Campbell	Preg O'Donnell & Gillett	Susman Godfrey
Davis Wright Tremaine	Keller Rohrback	Rekhi & Wolk	Talmadge Fitzpatrick
Dorothy Bartholomew, PLLC	Kinsel Law Offices, PLLC	Rod Ray	Teutsch Partners LLC
Dorsey & Whitney	Knobbe Martens	Ronald E Thompson PLLC	The Nathanson Group
Evergreen Personal Injury Counsel	Krutch Lindell Bingham Jones	Rush, Hannula, Harkins & Kyler	Walter Kipling
FAVROS Law	Lane Powell	Savitt Bruce & Willey	Wilson Sonsini Goodrich Rosati
Fenwick & West	Law Offices of Harold D. Carr	Schroeter, Goldmark & Bender	Yakima Law
Forsberg & Umlauf, P.S.	Law Office of Steve Graham		
Foster Garvey	Law Offices of Mark C. Wagner		
Fox Rothschild			



CHAMPIONS OF JUSTICE

Champions of Justice donate \$300 per attorney or \$25,000 or more to fund legal aid in Washington.

Proceeds benefit Legal Foundation of Washington, King County Bar Foundation, and Tacoma-Pierce County Bar Foundation. If your firm isn't listed, email Natalia@legalfoundation.org to join us.



Goldmark Award Luncheon



The 2022 Goldmark Event on February 11, 2022 was virtual for the 2nd year and we broke fundraising records. We raised a record \$230,000 in sponsorship – which is \$50,000 more than last year. In total, we raised \$450,000 at this year’s event with over 600 donors contributing. Congratulations to the incomparable and inspiring, Annie Lee, on receiving the Goldmark Award!

Associates Campaign for Equal Justice

In its third year, the Associates Campaign for Equal Justice grew to include 12 firms and reached 450 associates across Washington state. Raising a record amount of \$150,000 for civil legal aid, we could not be prouder of this group of young attorneys or more excited to launch again in 2022. 2021 Participating Firms:



Congratulations to the winners of our 2021 Associates Campaign:

- PCVA Law wins Amicus Award for outstanding participation and Generous Counsel Cup for highest average gift.
- DWT receives the new Rainmaker Award this year for raising the most money in the campaign two years in a row.



**PFAU COCHRAN
VERTETIS AMALA**



**Davis Wright
Tremaine LLP**



Campaign Happy Hour Events

2022 Equal Justice Events

Everett Beer & Justice - June 1
 Vancouver Beer & Justice - June 23
 Bellingham Beer & Justice - July 7
 Yakima Beer & Justice - Sept. 15
 Olympia Beer & Justice - Oct. 13

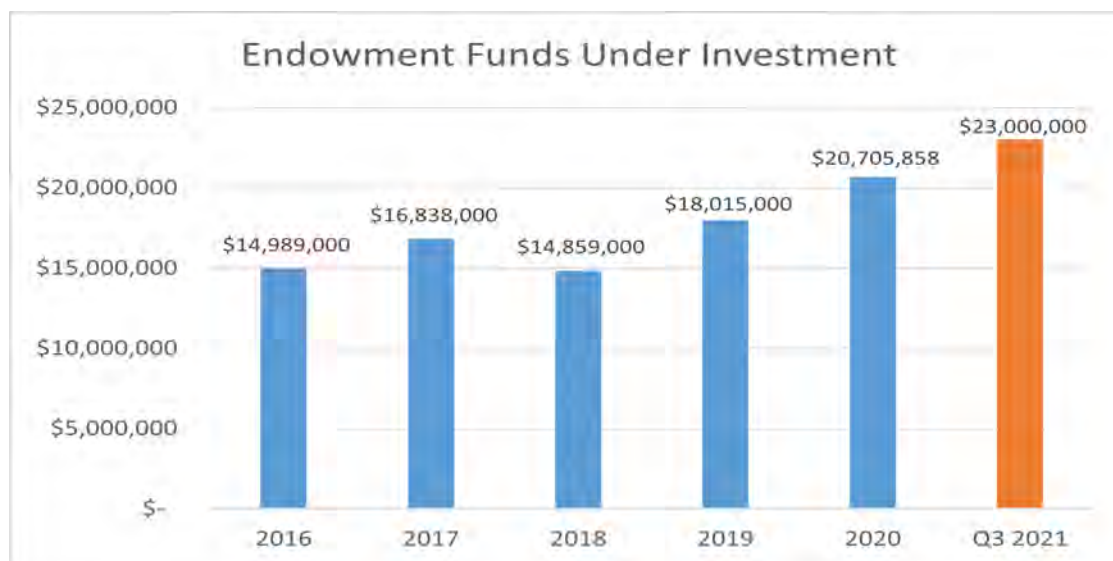
Seattle Beer & Justice - Date TBA
 Longview Beer & Justice - Date TBA
 Tacoma Beer & Justice - Date TBA
 Spokane Beer & Justice - Date TBA




We had nine happy hour events in 2021 for the Campaign. Many were virtual but a couple were able to meet in person outside. We are excited to produce these events in-person in 2022. Here's the list of upcoming 2022 Campaign events – please join us!

Endowment for Equal Justice

The EEJ annual grant disbursement to LFW for 2021 was higher than budgeted at \$942,642. The EEJ cash balance is growing, and EEJ investments stand at \$23M at the end of 2021. Most importantly, EEJ's annual disbursement to LFW has grown year over year and is expected to be \$1M in 2022.



ENDOWMENT for
**EQUAL
JUSTICE**

As the nation's largest sustainable investment fund dedicated to civil legal aid, the Endowment for Equal Justice has distributed \$5.8M in support of civil legal aid over the last eight years.

2021 Numbers

ENDOWMENT FOR
EQUAL JUSTICE
INVESTMENT FUND
\$23M

ENDOWMENT DISTRIBUTIONS TO LFW from 2014 (1st year) to 2021

Total Distribution

\$5.8M



Endowment Events:

The 2021 Voices for Justice Concert was held at St. Mark's Cathedral on November 11, 2021. The concert featured the Paula Boggs Band, NWIRP Executive Director Jorge Barón, and Seattle youth poet Zinnia Hansen. Despite a severe winter storm and COVID concerns, 100 people showed up in person for this concert and the EEJ raised \$85,000. A virtual attendance option for those interested in live streaming the concert was offered. The third annual concert will take place in the Fall of 2022.

**2ND ANNUAL
VOICES FOR
JUSTICE**
FUNDRAISER featuring THE PAULA BOGGS BAND

THURSDAY, NOV. 11TH 2021
SAINT MARK'S CATHEDRAL
6 TO 7 PM — DRINKS & APPETIZERS
7 TO 8 PM — CONCERT & PROGRAM
TICKETS \$100 / ON SALE NOW!
GO TO: [BIT.LY/3M5Z50V](https://bit.ly/3M5Z50V)
LIVE STREAM & LIMITED IN-PERSON SEATING AVAILABLE

THANK YOU TO **SAINT MARK'S CATHEDRAL** FOR DONATING THEIR SPACE AND TO **FOSTER GARVEY** FOR THEIR GENEROUS SPONSORSHIP.
PROOF OF VACCINATION WILL BE REQUIRED AND MASKS WILL BE PROVIDED.

As part of LFW's and the Endowment's stewardship goals, planning for the 2022 Montgomery, Alabama trip began in earnest in 2021 and took place in April 2022. Participants included David Domke, co-founder of Common Power, as a co-leader with Dr. Terry Scott and a group of 30 attendees.



Goals of the Trip:

- Better understanding of history of slavery in America and its role in laying the foundation for the systemic racism that exists today
- Understand the role of the rule of law in establishing and perpetuating racist systems and how civil legal aid can help dismantle those systems and policies.
- Learn about ways to take specific individual or collective action

Timeline: March 31 – April 4, 2022

Audience: Legal and Judicial Leaders from Washington State, EEJ Board Members and Supporters, Legal Aid Staff

Itinerary:

- **Day One,** Atlanta civil rights sites, meet Poet Laureate Hank Stewart
- **Day Two,** Montgomery Day: Walking Tour, State Capitol, Freedom Rides Museum, Dinner at JW Beverettes
- **Day Three,** Montgomery EJI Day , Legacy Museum, lunch and meeting in Panni George, Lynching Memorial, Dinner at First Baptist Church
- **Day Four,** Selma – walk the Edmund Pettis bridge, lunch at the Coffee Shoppe
- **Day Five,** Birmingham

The participants experienced the Equal Justice Initiative's Memorial for Peace and Justice and Legacy of Slavery Museum, and the Endowment hosted gatherings for reflection and to discuss the connection with civil legal aid. Numerous local speakers were engaged in the site visits. A

post-trip report is underway as are post trip gatherings to share information and opportunities to continue learning together and to take action.

Endowment Strategic Plan

The Endowment conducted a year-long strategic planning process and the plan was adopted by the Endowment for Equal Justice Board at their December 2021 Board Meeting. The Strategic Plan will become operational in 2022 and will serve the Endowment until the start of its new campaign in 2025. The Endowment's new Mission/Vision/Values Statement is below and an online version can be found here: [STRATEGIC PLAN](#)

Purpose: Why We Exist

The Endowment for Equal Justice exists to provide long-term unrestricted funding for Washington's civil legal aid network.

Mission: What We Do and How We Do It

The Endowment for Equal Justice cultivates a broad community of engaged donors and stewards their gifts to enable civil legal organizations and those they strive to serve to overcome individual injustices and dismantle systemic barriers to equitable justice in Washington State.

Vision: Where We are Going

We envision a healthy community where all individuals can thrive and realize their full potential, supported by an equitable justice system.

Values: Principles that Guide Our Work



Rule of Law and Access to Justice: We believe that the rule of law provides the foundation for our democracy and the means to fulfill the promise of our nation.

Upholding the rule of law requires that all individuals have effective access to justice

through adequate representation in the courts and that the policies and practices that create and perpetuate inequities are dismantled.



Racial Equity: We acknowledge the legal system's role in creating and sustaining systemic inequities and disadvantages based on race. We are committed to eliminating this ongoing injustice, both in the impact we have externally and in how we operate and conduct ourselves as an organization.



Empowerment: We recognize that individuals who are experiencing poverty are at heightened risk to their person and their rights and that risk is compounded for those who are marginalized based on gender, race, ethnicity, sexual orientation, and disability. We believe that the justice system has too often denied justice to these individuals and communities and we seek to empower them to secure justice.



Collaboration, Engagement, and Inclusion: We are committed to working collaboratively with the Legal Foundation of Washington, civil legal aid providers, and the Alliance for Equal Justice in Washington State to build capacity and to amplify their work within our community of donors and stakeholders. We will actively engage with and listen to the individuals and communities we ultimately benefit. And, we will structure our organization and our work to ensure that we include individuals who provide a diversity of viewpoints, perspectives, and lived experiences.



Transparency and Accountability: We embrace full transparency regarding management of the Endowment for Equal Justice and stewardship of our funds. We are accountable to our donors, the organizations we fund, and the individuals and communities that we aim to benefit to ensure that our actions are guided by and consistent with our mission.

RACE EQUITY COMMITTEE

In alignment with the mission of the Legal Foundation of Washington to advance equal civil justice for low-income people and serve those most marginalized and disenfranchised within our legal system, the staff of LFW formed a race equity committee in 2020. The goals of the committee are to organize trainings and educational opportunities for LFW staff and to support internal policy and process changes to further support the larger goals of the Alliance for Equal Justice of advancing racial equity and undoing systemic racism and harm to BIPOC communities in our state. In accordance with the [ATJ State Plan](#) for the delivery of civil legal aid and its top goal of promoting and fostering racial equity, LFW continues our work on equity and justice and aims to learn new ways to wield our power as a funder to lift up the most disenfranchised people in our communities and continually become a better community partner.

LFW Race Equity Goals and Actions

Since 2018, the staff and board of LFW have pursued anti-racism trainings with the firm Race Equity Consultants, LLC, to raise awareness about systemic racial oppression and implicit biases. We have focused on unlearning racist and biased behavior that perpetuates systemic oppression, which is often baked into the policies and practices of the modern workplace. Since the beginning of JustLead's Leadership Academy in 2013, an LFW staff member has joined as a fellow of the program. This anti-racist and anti-bias training has helped LFW staff members identify implicit bias and examine how racism and oppression are woven into the fabric of our workplaces and our personal lives.

In 2021, staff worked with Race Equity Consultants to commit to these four goals to increase diversity, equity, and inclusion within LFW:

- Create A More Equitable Organizational Culture
- Recruit, Hire, and Retain a Diverse Work Force
- Develop Accountability to Communities of Color
- Secure an Organizational Commitment to Race Equity Work

In 2021, to advance toward these goals, all LFW staff attended six half-day trainings. In 2022, LFW staff meets monthly as a group to discuss the above goals, report on progress and discuss action steps to advance on each goal. In April 2022, staff will begin monthly trainings with the firm Epiphanies of Equity, led by principal Christiana Obey-Sumner. Christiana will perform a “temperature check” and review our race equity work of the past several years to determine next steps for our organization on our goals to increase racial equity internally and keep evolving our impact as a funder of legal aid programs with a focus on serving people most in need of justice and those disproportionately impacted by racism and poverty. We look forward to continuing this work with the leadership of Christiana’s firm this year. Below are some of the actions and updates LFW staff have undertaken in the past two years to advance our race equity goals. Much advancement on our race equity goals is also taking place within our grantmaking program and at the board level. You can learn more about this specific work in the Grants Committee report.

Human Resources Committee

Beginning in 2020, the HR Committee has worked to build a more equitable hiring process with the goal of removing barriers that were unintentionally resulting in candidate pools for open positions disproportionately made up of white, college-educated applicants.

Strategies implemented to increase equity and inclusion in our hiring process include:

- Clear, transparent and standardized position announcements that include exact starting salary;
- Removing the job qualification of a 4-year college degree when it is determined not to be essential for success in a position;
- Implementing specific processes to help hiring teams identify and counter-act unconscious and implicit biases.

New Vendor Procurement Policy

LFW staff created a new guide to help staff prioritize and support businesses owned by people of color when hiring consultants or vendors to support our events and programs. This is one step toward intentionally supporting communities of color and toward

becoming accountable allies in the work of dismantling racist structures which consolidate wealth and power in white communities and businesses.

Annual Demographic Survey

Beginning in 2019, LFW began surveying board and staff to gain demographic information. The results of this annual fall survey are posted to our Guidestar profile to increase transparency. The results are reviewed by staff and considered in our hiring process and board recruitment efforts.

Honorarium Policy for Client Speakers

LFW often hosts events featuring legal aid programs and invites speakers connected to the programs to share their stories. In 2022, we created a policy to uniformly compensate all legal aid clients or former-clients. This includes but it not limited to participation in LFW fundraising events, recorded videos, board meetings, and/or conference presentations.

Racial Equity Speaker Series: Let's Talk About (in)Justice

The Endowment for Equal Justice began a race equity speaker series in 2020 to continue the discussion on racial equity advancement with board members and donors and continue to raise our education and consciousness on the issues of equity, diversity and inclusion. This will continue in 2022 as a collaborative effort with LFW staff and board members of LFW and the Campaign for Equal Justice.

Other Race Equity Trainings

LFW staff are invested in diving into the work of educating ourselves on ways to improve race equity, diversity, and inclusion. Many staff opt to attend trainings independently of our full group. Here are a couple examples of trainings attended by our staff:

- JustLead Leadership Academy – since 2013, seven LFW staff members have completed this year-long fellowship and we continue to support and encourage new staff members to apply and learn about transforming organizations to be anti-racist, equitable, and inclusive.

- In 2021, Melinda Mann, Chief Development Officer attended the 3-day intensive training of the [People's Institute for Survival and Beyond](#). This is a very well-respected program that provides a deep dive into the work of undoing racism.
- In October, Kay Acholunu, Staff Accountant and Megan Simmons, Development Coordinator attend a half-day workshop on “Courageous Conversations” with [Dr. Caprice Hollins](#), who specializes in addressing race relations in the 21st Century. (see her TED Talk linked below)
- Board Training – The boards of LFW, Campaign and Endowment will join together in 2022 and 2023 for a series of racial equity trainings to ensure our boards are continuing education on racial equity and joining staff in our commitment to becoming an anti-racist organization.

Thank you for leading on the topics of racial justice, equity, and equal access to justice from your positions on our state’s highest court. We are committed to continuing this journey of learning and unlearning and pushing forward to become an anti-racist organization and join together in community with our legal aid network of providers, donors, advocates, and funders to make the promise of “justice for all” a reality.

Suggested educational materials:

[BIPOC ED Coalition Washington State: What does equitable funding look like?](#)

[“White Supremacy Culture” by Tema Okun](#)

[“What white people can do to move race conversations forward,” by Dr. Caprice Hollins](#)

[“Get comfortable with being uncomfortable,” by Luvvie Ajayi Jones](#)

[Alliance for Equal Justice State Plan](#)

[Washington Race Equity & Justice Initiative](#)

GOLDMARK EQUAL ACCESS TO JUSTICE INTERNSHIP PROGRAM

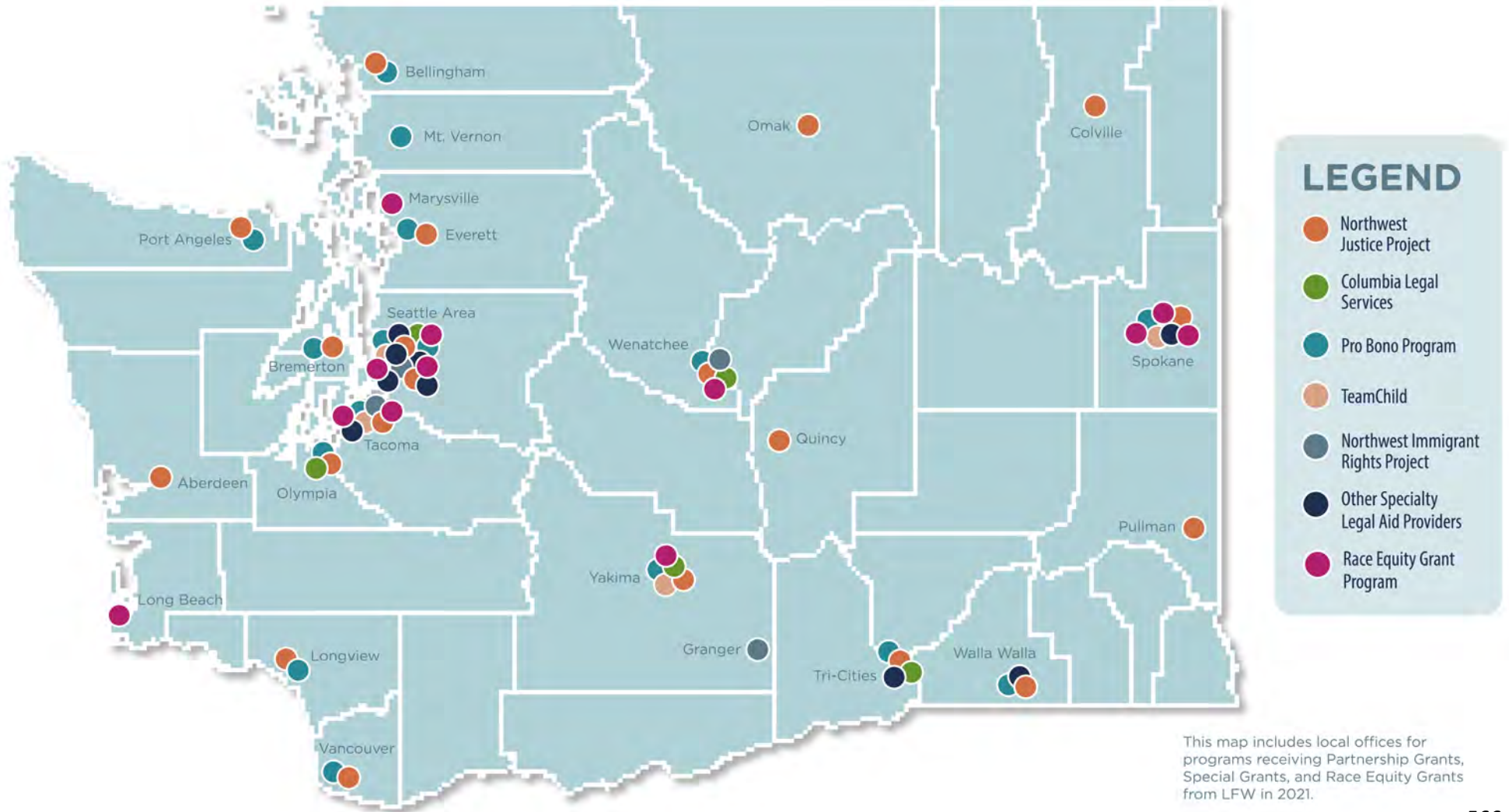
The Goldmark Internship Program was created with a gift of matching funds from the Charles and Annie Goldmark Family Foundation in 1992. The purpose of the program is three-fold: to increase legal aid services to low-income people, to encourage law students to consider employment with civil legal aid programs or as volunteers at volunteer attorney civil legal aid programs, and to offer an opportunity for public service employment to outstanding law students.

The Goldmark Internship Committee, in consultation with the 2021 host program, Fair Work Center chose to delay the 2021 internship opportunity until 2022 due to the continued COVID-19 pandemic. In the summer of 2022, Goldmark Intern Olivia Angel will join Fair Work Center's legal clinic where she will participate in worker intake and counseling, policy research, development of community education resources and strategic enforcement campaigns for workplace protections.

2021 Grants with Funding Sources

Organization	Partnership Grants	COVID-19 Emergency Eviction Defense	Special & Emergency COVID- Response Grants	Race Equity Grants	Total
Benefits Law Center	\$489,500		\$20,000		\$509,500
Benton Franklin Legal Aid	\$98,300	\$50,077			\$148,377
Blue Mountain Vol. Lawyers Program	\$55,800	\$4,000			\$59,800
Chelan Douglas Vol. Attorney Services	\$111,100	\$111,538			\$222,638
Clallam Jefferson Pro Bono	\$88,400	\$35,000			\$123,400
Clark Co. VLP	\$138,400	\$122,308			\$260,708
Colectiva Legal del Pueblo			\$25,000		\$25,000
Columbia Legal Services	\$3,656,500		\$450,000		\$4,106,500
Communities Rise			\$75,000	\$10,000	\$85,000
Cowlitz Wahkiakum Legal Aid	\$62,000	\$35,000			\$97,000
Disability Rights Washington				\$10,000	\$10,000
Eastside Legal Assistance Program	\$173,200				\$173,200
Fair Work Center			\$25,000		\$25,000
Global Rights Advocacy				\$10,000	\$10,000
Gonzaga University's				\$10,000	\$10,000
King Co. Bar Foundation	\$548,100				\$548,100
Kitsap Co. Legal Services	\$109,300	\$91,538			\$200,838
Korean Women's Association				\$10,000	\$10,000
Laurel Rubin Farmworker Justice Project			\$25,000		\$25,000
La Casa Hogar				\$20,000	\$20,000
Lavender Rights Project			\$25,000		\$25,000
LAW Advocates	\$207,000	\$86,923			\$293,923
Legal Counsel for Youth and Children	\$103,000				\$103,000
Living with Conviction				\$20,000	\$20,000
Northwest Immigrant Rights Project	\$1,300,500		\$450,000		\$1,750,500
Northwest Justice Project			\$300,000		\$300,000
Pacific County Immigrant Support				\$10,000	\$10,000
Seattle Clemency Project				\$20,000	\$20,000
Sexual Violence Law Center					\$0
Skagit Legal Aid	\$127,900	\$40,000			\$167,900
Snohomish Co. Legal Services	\$169,500	\$208,077			\$377,577
Solid Ground	\$253,100				\$253,100
Spokane Co. Bar VLP	\$122,000	\$183,846			\$305,846
TacomaProBono Community Lawyers	\$293,200	\$376,154		\$10,000	\$679,354
TeamChild	\$672,400			\$20,000	\$692,400
The Way to Justice				\$20,000	\$20,000
Thurston Co. VLS	\$160,800	\$125,385			\$286,185
Tulalip Foundation				\$10,000	\$10,000
Unemployment Law Project	\$435,400			\$10,000	\$445,400
Wenatchee for Immigrant Justice				\$20,000	\$20,000
Yakima Co. VAS	\$136,100	\$146,154			\$282,254
Totals	\$9,511,500	\$1,616,000	\$1,395,000	\$210,000	\$12,732,500

2021 LFW GRANTEES








COVID-19 LEGAL NEEDS CHECKLIST

Many people in our communities are struggling because of COVID-19, and it can be difficult to know if you have a problem that a lawyer can help you with. If you answer yes to any of the questions below, you may benefit from assistance of a lawyer.

What Kind of Problem Are You Facing?

		YES	NO
ESSENTIAL NEEDS 	<ul style="list-style-type: none"> Are you unable to pay your bills each month? 	<input type="checkbox"/>	<input type="checkbox"/>
	<ul style="list-style-type: none"> Do you need help getting benefits or cash assistance, like disability benefits, unemployment insurance, child support, or veteran's benefits? 	<input type="checkbox"/>	<input type="checkbox"/>
	<ul style="list-style-type: none"> Has your landlord told you to move or are you worried that you may lose your housing? 	<input type="checkbox"/>	<input type="checkbox"/>
EMPLOYMENT 	<ul style="list-style-type: none"> Have you lost your job or had your hours cut because of COVID-19? 	<input type="checkbox"/>	<input type="checkbox"/>
	<ul style="list-style-type: none"> Is your employer making you work even though you feel unsafe, or are you a High-Risk Individual* with questions about if you have to go back to work? <p><small>*A High-Risk Individual is defined by the Centers for Disease Control and Prevention as someone who is 65 years of age or older, or a person of any age with underlying medical conditions, particularly if not well controlled.</small></p>	<input type="checkbox"/>	<input type="checkbox"/>
ACCESS AND INFORMATION 	<ul style="list-style-type: none"> Are you or your child having problems with school, healthcare, or assistance programs because of language, disability, or a lack of necessary technology (for example, phone, computer, or internet)? 	<input type="checkbox"/>	<input type="checkbox"/>
	<ul style="list-style-type: none"> Are you being treated unfairly by your employer, landlord, school, or other service provider because of your race, sex, sexual orientation, age, disability, etc? 	<input type="checkbox"/>	<input type="checkbox"/>
	<ul style="list-style-type: none"> Are you afraid of going to the doctor or asking for help from community organizations because of your immigration status? 	<input type="checkbox"/>	<input type="checkbox"/>
	<ul style="list-style-type: none"> Have you missed court or are you due in court but don't know what the local court policies about COVID-19 are? 	<input type="checkbox"/>	<input type="checkbox"/>
	<ul style="list-style-type: none"> Do you have unpaid traffic citations, or are you struggling to get photo ID or become licensed/re-licensed because offices are closed during COVID-19? 	<input type="checkbox"/>	<input type="checkbox"/>

FAMILY AND PERSONAL NEEDS



<ul style="list-style-type: none"> ■ Is a family member or loved one hurting you or someone else in your household, or are you afraid they may hurt you? 	<input type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> ■ Are you under 18 and need someone other than your parents to take care of you or do you need help taking care of yourself? 	<input type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> ■ Has the pandemic affected whether you can pay or collect child support, or impacted your child custody or visitation schedule? 	<input type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> ■ Do you need a will or other plan for your children and property if something were to happen to you? 	<input type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> ■ Has a loved one passed away and do you need to make decisions and handle their affairs? 	<input type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> ■ Do you need a legal document for someone to make healthcare decisions for you if you can't? 	<input type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> ■ Have you or a family member been denied needed mental-health treatment? 	<input type="checkbox"/>	<input type="checkbox"/>

RESOURCES	If you know your issue is about housing, unemployment, or immigration status, here are some resources you can contact directly. If you are unsure, please see the next section (<i>Get Help</i>).	
Housing - Eviction Moratorium Complaints	<p>Do you need to file a complaint about a violation of the Governor's Eviction Moratorium? Contact the Washington State Attorney General's Office</p> <ul style="list-style-type: none"> ■ Phone: 800-551-4636. Washington State Relay Service for hearing impaired: 800-833-6388 ■ Online complaint form: https://fortress.wa.gov/atg/formhandler/ago/COVID19EvictionComplaintForm.aspx 	
Unemployment Issues	<p>Are you having issues with your claim for unemployment insurance?</p> <ul style="list-style-type: none"> ■ Unemployment Law Project Telephone Helpline: 206-441-9178 or toll free 888-441-9178 ext. 0. 	
Immigration Issues	<p>Do you need to report ICE or CBP activity, or need other resources related to immigration assistance?</p> <ul style="list-style-type: none"> ■ Washington Immigrant Solidarity Network, Hotline: 844-724-3737 	
Discrimination Issues	<p>Do you need to file a complaint about discrimination against you?</p> <ul style="list-style-type: none"> ■ Washington State Human Rights Commission at 800-233-3247, or https://www.hum.wa.gov/. ■ If the discrimination you are facing is related to your housing, you can also contact the Northwest Fair Housing Alliance at 800-200-FAIR (3247) or http://nwfairhouse.org/ 	
GET HELP	If you are a low-income person in Washington and you answer yes to any of the questions, you can get help by calling these numbers:	
	<ul style="list-style-type: none"> ■ Outside King County: Call CLEAR Hotline at 888-201-1014 ■ Inside King County: Call 2-1-1 ■ Seniors (age 60 and over): Call CLEAR Senior at 888-387-7111 ■ Online: https://nwjustice.org/apply-online ■ Legal Information and Forms: https://www.washingtonlawhelp.org/ 	



LIISKA BAAHIDA SHARCIGA EE COVID-19

Dad badan oo ka tirsan bulshadeena ayaa dhibaato haysataa COVID-19 awgiis, waxaana dhici karta inay kugu adkaato inaad ka war qabto in dhibka ku haystaa uu yahay mid qareen kaa caawin karo. Haddii aad haa ku jawaabto su'aalaha hoos ku qoron, waxaa laga yaabaa inaad ka faa'iidsan karto qareen ku caawiya.

Waa maxay dhibaatooyinka ku hor yaala?

		HAA	MAYA
BAAHIYOYINKA LAGAMA MAARMAANKA AH 	<ul style="list-style-type: none"> Bilkasta miyaad kari waydaa inaad bixiso biilashaada? 	<input type="checkbox"/>	<input type="checkbox"/>
	<ul style="list-style-type: none"> Miyaad u baahantahay in lagaa caawiyo sidaad u heli lahayd guno ama caawimo lacageed, sida gunada naafada, gunada shaqo la'aanta, ilmo biilista, ama gunada howlgabka ciidamada? 	<input type="checkbox"/>	<input type="checkbox"/>
	<ul style="list-style-type: none"> Mulkiilahaagu miyuu ku yiri ka bax guriga ama miyaad ka warwarsantahay inaad meel aad ku noolaato weydid? 	<input type="checkbox"/>	<input type="checkbox"/>
SHAQO 	<ul style="list-style-type: none"> Miyaad shaqadaadii weyday ama saacadahaagii la jaray COVID-19 daraadiis? 	<input type="checkbox"/>	<input type="checkbox"/>
	<ul style="list-style-type: none"> Miyuu loo shaqeyahaagu kugu qasbayaa inaad shaqeyso inkastoo aad dareymayso inay khatar kugu tahay, ama miyaad tahay qof u nugul inuu qaado cudurada * Su'aalana aad ka qabtid shaqo ku laabashada? <p><small>*Qofka u nugul cudurka waxay u sharaxdaa Centers for Disease Control and Prevention inuu yahay qof da'diisu ay tahay 65 sano ama ka weyn, ama qofku da'kastaba ha ahaadee ay hayso caafimaad daro, siiba haddii aan si fiican loo xakamayn.</small></p>	<input type="checkbox"/>	<input type="checkbox"/>
SIDII LOO HELI LAHAA WAR BIXINTA 	<ul style="list-style-type: none"> Adiga iyo ilmaahaaguba miyay dhibaato idinka haysataa xaga iskoolka, daryeelka caafimaadka, ama barnaamijyada caawimada bixiya iyadoo ay kaa xayirayso afkii oo aadan garanaynin, naafanimu, ama aadan haysan teknoljiyada lagama maarmaanka ah (sida, taleefanka, kombutarka, ama internetka)? 	<input type="checkbox"/>	<input type="checkbox"/>
	<ul style="list-style-type: none"> Miyay si xaq daro ah ay kuula dhaqmeen loo shaqeyahaagu, mulkiilahaagu, iskoolkaagu, ama meelaha kale ee gargaarka bixiya midabkaaga daraadiis, lab/dhidig kaad tahay awgiis, jihada goolmadaada awgeed, da'daada, naafinanimu daraadeed, iwm? 	<input type="checkbox"/>	<input type="checkbox"/>
	<ul style="list-style-type: none"> Miyaad ka cabsi qabtaa inaad dhaqtar aragtid ama aad caawimo weydiisatid ururada bulshada sharciga aad wadanka ku joogto awgiis? 	<input type="checkbox"/>	<input type="checkbox"/>
	<ul style="list-style-type: none"> Miyaad tegi kari weyday maxkamad ama miyaad maxkamad leedahay laakiinse aanad fahansanayn sharciyada maxkamadda degmadaada ee ku saabsan COVID-19? 	<input type="checkbox"/>	<input type="checkbox"/>
	<ul style="list-style-type: none"> Miyaad haysataa tikidh aanad bixin, ama dhib miyay kaa haysataa sidii aad u heli lahayd taysaro sawir leh ama inaad qaadatao laysanka baabuurka lagu wado ama dib u cusboonaysatid sababtoo ah xafiisyadii ayaa xiran COVID-19 awgeed? 	<input type="checkbox"/>	<input type="checkbox"/>

**BAAHIDA
QOYSKA IYO
QOFKA**



<ul style="list-style-type: none"> ■ Miyaad ka baqaysaa inay wax ku yeelo/yeelaan qof qoyskaaga ka mid ah ama qof aad jeceshahay ama qof kaleba oo guriga kula degan? 	<input type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> ■ Miyaad ka yartahay 18 sano aad una baahan tahay inuu ku daryeelo qof aan ahayn waalidkaa ama miyaad u baahan tahay in lagaa caawiyo sidaad naftaada u daryeeli lahayd? 	<input type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> ■ Cudurakani miyuu kaa xanibay sidaad u bixin lahayd ama aad u qaadan lahayd ilmaha biilintiisa, ama miyay waxyeelo u geysatay xil la wareega ilmaha ama jadwalka booqashada? 	<input type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> ■ Miyaad u baahan tahay dardaaran qoran ama qorshe kale oo ku saabsan caruurtaada iyo hantidaada haddii ay wax kugu dhacaan? 	<input type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> ■ Miyuu qof aad jecleeyd geeriyooday oo aad u baahan tahay inaad go'aan ka gaadhid sidii aad wax uga qaban lahayd waxay ka tageen? 	<input type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> ■ Miyaad u baahan tahay inaad sameyso waraaq sharci ah, si uu qof kale go'aan uga gaadho daryeelka caafimaadkaaga haddii aad adigu awoodi weydo? 	<input type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> ■ Miyaa loo diiday adiga ama qof qoyskaaga ka mid ah oo u baahan daryeel caafimaad oo xaga maskaxda ah? 	<input type="checkbox"/>	<input type="checkbox"/>

WARBIXIN FAA'IIDO LEH	Haddii ay dhibtaadu ku saabsan tahay guriyeen, shaqo la'aan, ama sharciga deganaanshiyaha, meelahan ayaad si toos ah ula xiriiri kartaa. Haddiise aanad hubin baahidaadu waxay tahay, faqlan fiiri qeybta soo socota (<i>Caawimo Hel</i>).
Gureyeenta- Cabashada Amarka Hakinta Guri Ka Saarista	<p>Miyaad u baahan tahay inaad xareyso cabasho ku saabsan ku xad gudubka Amarkii Hakinta Guri Ka Saarista ee uu soo saaray Gudoomiyahu? La xiriir Xafiiska Xeer Ilaaliyah Guud ee Gobolka Washington</p> <ul style="list-style-type: none"> ■ Taleefoonka ah: 800-551-4636. Dadka aan wax maqlaynina ha wacaan Washington State Relay Service: 800-833-6388 ■ Faamka cabashada eel aga buuxinayo internetka: https://fortress.wa.gov/atg/formhandler/ago/COVID19EvictionComplaintForm.aspx
Arrimaha ku saabsan xaga shaqo la'aanta	<p>Miyay dhibaato kaa haysataa inaad xareysato gunada shaqo la'aanta?</p> <ul style="list-style-type: none"> ■ Taleefoonka Furan ee Mashruuca Sharciga Shaqo La'aanta waa: 206-441-9178 ama lambarka lacag la'aanta ah ee 888-441-9178 gudbis 0.
Arrimaha ku saabsan imigareeshanka	<p>Miyaad u baahan tahay inaad wargeliso ICE ama CBP howlgalkooda, ama u baahan tahay warbixin faa'iido leh oo ku saabsan caawimada imigareeshanka?</p> <ul style="list-style-type: none"> ■ Washington Immigrant Solidarity Network, Khadkooda markastaba furan waa: 844-724-3737
Arrimaha ku saabsan cunsuriyeenta	<p>Miyaad u baahan tahay inaad dacwad ka xareyso cunsurinimo lagu geystay?</p> <ul style="list-style-type: none"> ■ Washington State Human Rights Commission ka wac 800-233-3247, ama https://www.hum.wa.gov/. ■ Haddii dhanka guryaha cunsurinimo kaala soo deristo, waxaad ka wici kartaa Northwest Fair Housing Alliance lambarka ah 800-200-3247 ama http://nwfairhouse.org/
CAAWIMO HEL	Haddii aad tahay qof danyare ah kuna nooshahay Washington kuna jawaabtay haa su'aalahan mid ka mid ah, waxaad caawimo ka heli kartaa adigoo waca lambaradan:
	<ul style="list-style-type: none"> ■ Haddii aad ka baxsantahay King County: Wac CLEAR khadkooda markastaba furan ee 888-201-1014 ■ Haddii aad ku nooshahay King County: Wac 2-1-1 ■ Waayeelka (jira 60 sano ama ka badan): Wac CLEAR Senior ee 888-387-7111 ■ Online: https://nwjustice.org/apply-online ■ Wararka ku saabsan sharciga iyo foomamka: https://www.washingtonlawhelp.org/

Spring 2021 Race Equity Grantees

La Casa Hogar

Increasing access to naturalization services among rural, immigrant, Latinx lawful permanent residents of the Yakima Valley, by training and equipping community fellows for Department of Justice accreditation.

Living with Conviction

Empowering formerly incarcerated people of color and with low incomes to know and claim their rights to relief from the onerous court-imposed debt of legal financial obligations.

Seattle Clemency Project

Providing long-term, individualized support to men and women reentering the community after serving excessively long prison sentences, including: civil legal aid, employment assistance, counseling, training, education, and basic needs.

TeamChild

Building power among incarcerated youth (up to age 25) by working directly with them to plan, develop, and begin constructing a law library that meets their needs to understand the law and change their circumstances.

The Way to Justice

Expanding the availability of civil legal aid services for the BIPOC community in Spokane County while continuing to call the broader legal and justice system to examine and dismantle its racism.

Wenatchee for Immigrant Justice

Supporting immigrants in Wenatchee and the surrounding area needing financial assistance with the costs of applying for DACA, US citizenship and replacement of permanent residency cards.

Fall 2021 Race Equity Grantees

Communities Rise

Expanding the Community Connectors Program, a relationship-based outreach program in South King, Spokane, Yakima, and Pierce counties that compensates trusted community leaders to share culturally fluent information about COVID-related legal resources.

Disability Rights Washington

Implementing strategies to shift DRW's systemic civil justice advocacy to address inequities experienced by disabled BIPOC, especially at risk of criminalization, incarceration, or institutionalization.

Global Rights Advocacy

Expanding legal outreach and international human rights advocacy on behalf of asylum-seekers and other detainees at Northwest Processing Center.

Gonzaga University's Removal Defense Project

Providing free representation for vulnerable immigrants in Eastern Washington who must travel to the Seattle immigration court for removal hearings and training the next generation of nonracist immigration lawyers.

Korean Women's Association

Assisting low-income and immigrant survivors of domestic violence in Tacoma with legal advice and representation.

Pacific County Immigrant Support partnering with Kitsap Immigrant Assistance Center

Providing legal education and representation for Pacific County immigrants to secure legal status as residents.

Tacomaprobono Community Lawyers

Providing free legal services to BIPOC and low-income clients seeking to relieve the burden of legal financial obligations (LFOs), with the goal of reducing barriers to housing and relicensing.

Tulalip Foundation

Providing client-centered direct legal representation to Tulalip tribal member foster youth that addresses, supports, and protects the youth's individual needs and goals.

Advisory Panel

Our current panel includes:

- Jennifer Bereskin, Urban Indians Northwest and [Washington Low Income Housing Alliance](#)
- Karla Davis, [King County Bar Association Housing Justice Project](#)
- Jhovona Duggins, [Northwest Justice Project](#),
- Karyn Kameroff, [Pathways to Healing - Cowlitz Indian Tribe](#)
- Carmen Pacheco-Jones, [Health and Justice Recovery Alliance](#), [Spokane Regional Law & Justice Council's Racial Equity Committee](#)
- Sarahi Perez, [United We Dream](#) & Sin Fronteras
- Anthony Powers (Chair), [American Equity & Justice Group](#), The Redemption Project & [Seattle Clemency Project](#)
- Jovon Vaughn, [Legal Counsel for Youth and Children](#)
- Waldo E. Waldron-Ramsey, [NAACP AK-OR-WA](#) and [Washington Community Action Network](#)

4.5.2 Systems Reform

SYSTEMS REFORM

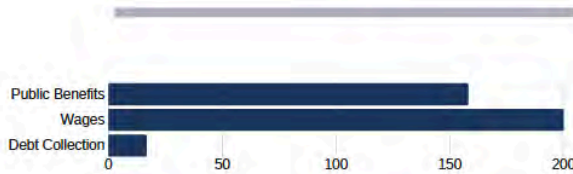
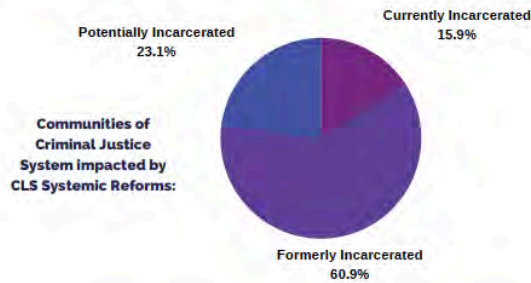


Systemic reforms are defined as **changes in practices** of WA's criminal, immigration, economic, and housing systems that have impacted communities and individuals affected by these systems.

CRIMINAL JUSTICE REFORM

CLS has reformed this system in three ways:

- **Incarceration and Arrests Prevention**
- **Reforms in Incarceration**
- **Reforms for the Formerly Incarcerated**



ECONOMIC JUSTICE

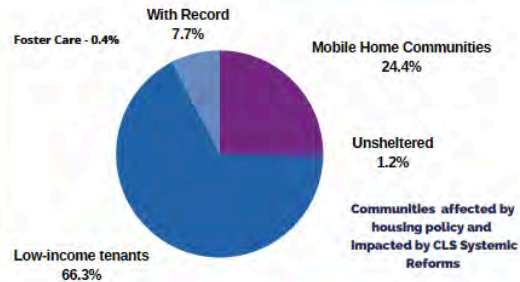
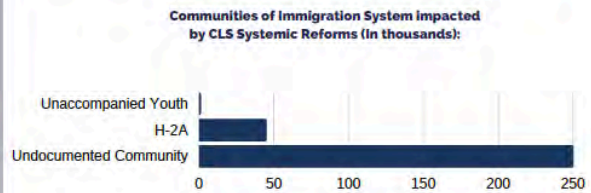
CLS has reformed this system by:

- Mandating financial support for **SSI applicants with disabilities**
- Changed **medical debt collection** practices
- Changed practices of using **driving licenses suspensions as a debt collection tool**

IMMIGRATION

CLS has reformed this system by:

- **Preventing information exchanges** between local government and ICE
- **Permanent injunction** against H-2A employers
- Implementing **Vulnerable Youth Guardianship**



HOUSING JUSTICE

CLS has reformed this system by:

- Preventing **housing discrimination**
- Mandating people **who live in cars** do not lose their shelter
- Injunction against **wrongful utility fees**

67%

Of those impacted by CLS' work identify as people of color. **People of color are overrepresented** in WA's systems.

45

Systems-reforms class action lawsuits and House/Senate bills that CLS worked on in the past three years

90%

Of systems-change bills that CLS worked on passed in WA State Legislature

4.5.3 By the Numbers

BY THE NUMBERS

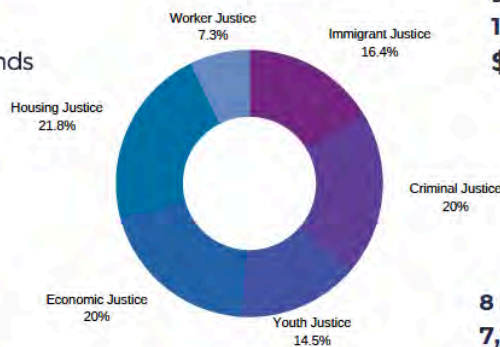


In the past three years, CLS had impacts on various communities. These impacts are **quantified** by success in dollar amounts, **settlement funds** dispersed, and the **number of individuals** impacted.



CRIMINAL JUSTICE
11 Bills and Suits
358,000 People Impacted
\$1,240,000 in Settlement Funds

CLS Advocacy Work Distribution



IMMIGRANT JUSTICE
9 Bills and Suits
142,000 People Impacted
\$4.6M in Settlement Funds

WORKER JUSTICE
4 Bills and Suits
200,000 People Impacted
\$4.9M in Settlement Funds

YOUTH JUSTICE
8 Bills and Suits
7,244 Youth Impacted
\$240,000 in Settlement Funds

40+ **COMMUNITY COLLABORATIONS**

- Tenant Community**
Tacoma Tenants Organizing Committee
Resident Action Project
Tenants Union
- Immigrant Community**
WA Immigrant Solidarity Network
Community 2 Community Development
La Resistencia
- Current/Formerly Incarcerated**
I Did the Time
Village of Hope
Black Prisoners Caucus
- Labor Communities**
SEIU, AFL-CIO, OFW
La Justicia
- Youth and Child Community**
The Mockingbird Society
Treehouse

\$9M **IN SETTLEMENTS**

- Worker and Immigrant Rights: \$4,910,900**
- Economic Justice: \$3,700,000**
- Criminal Justice: \$1,240,000**
- Housing Justice: \$803,800**

90% **ADVOCACY SUCCESS OUTCOME**

- Examples of Bills Passed:**
- SB 5290:** Ending youth incarceration for status offenses
 - HB 2057:** Concerning services available when residential property is in foreclosure.
 - HB 1988:** protection for immigrant youth who have been abused or abandoned.
- Injunctive Relief Outcomes:**
- Farris v. Franklin Co.:** humane conditions in county jails
 - Mosby v. Merchants Credit Corporation:** challenged unfair medical debt collection practices

15,135 individuals impacted per each **CLS Staff Member**

over the past three years

4.5.4 Individual Impacts

INDIVIDUAL IMPACTS



Over the past three years, CLS has made individual impacts by increasing opportunities for and **removing barriers** for mobility, opportunity, and quality of life.

INCARCERATED INDIVIDUALS

CLS has enhanced the quality of life for WA's incarcerated individuals by advocating for their basic rights, humane conditions, and opportunity for restoration and rehabilitation.

- *Farris, et al. v. Franklin Co., et al.*, mandating **humane conditions** in county jails for those incarcerated in local jails

FAMILIES APPLYING FOR PUBLIC BENEFITS

CLS has advocated for economic support, stability, and mobility for individuals and families in WA.

- *SB 1831*, CLS advocated for families to **increase asset exemptions** in the public benefits application process

UNDOCUMENTED AND H-2A FARMWORKERS

CLS has worked to secure rights, safety, and ability to access resources for undocumented individuals.

- *Rosas v. Sarbanand Farms*, **protecting rights** of H-2A and undocumented farm workers

FOSTER YOUTH

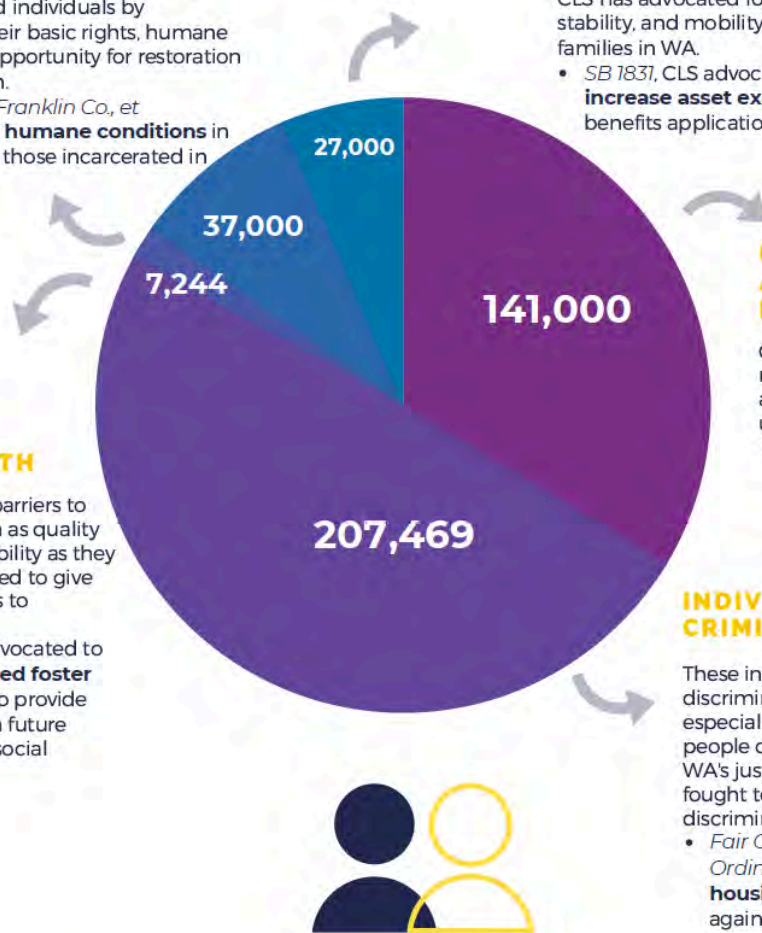
These youth face barriers to opportunities such as quality education and stability as they grow. CLS advocated to give these youth access to opportunities.

- *SB 6222*, CLS advocated to expand **extended foster care** eligibility to provide aging-out youth future economic and social stability

INDIVIDUALS WITH CRIMINAL RECORDS

These individuals are discriminated through policy, especially considering that people of color make up 46% of WA's justice system. CLS has fought to prevent this discrimination.

- *Fair Chance Housing Ordinance*, **prevents housing discrimination** against these individuals



<h2>105</h2> <p>The number of youth CLS kept from being confined in solitary confinement in King County. This increases chances for rehabilitation and prevents mental health deterioration.</p>	<h2>22+</h2> <p>The number of various individual indirect impacts that CLS' work resulted in, including restorative justice, improved mental health, opportunity to social mobility, equitable access to resources</p>	<h2>~67%</h2> <p>Of those impacted by CLS' work identify as people of color. People of color are overrepresented in WA's criminal justice, welfare systems, and unjust outcomes in immigration.</p>
--	--	---

4.5.5 Community Impacts

COMMUNITY IMPACTS



Over the past three years, CLS has worked with communities in WA to **raise awareness of inequities** and establishing **lasting changes in systems**.

COMMUNITY-CENTERED ADVOCACY:



TENANT COMMUNITY

CLS collaborated with community organizations to pass legislation such as SB 5600 and HB 1440. Tenants of color are disproportionately evicted at a rate of **~21.5%**. The community-based organizations include **Tacoma Tenants Organizing Committee, Washington CAN, Resident Action Project, Washington Low Income Housing Alliance, and King County Housing Justice Project.**



IMPACTS:

This advocacy led to the **extension of rent increase notices** for low-income tenants. Such advocacy empowered tenants to address illegitimate **utility charges in public housing**. This work also raised awareness for the **disproportionate demography** of evictions among low-income tenants and Black tenants.



MOBILE HOME PARK COMMUNITIES

CLS worked with residents of various mobile park communities to pass legislation such as HB 1206 and lead class-action suits such as *Amado v. Royal Coachman Mobile Home Park*. Approximately **45,000 individuals** live in mobile home communities.



This advocacy led to **awareness** of issues within mobile park communities. Owners of mobile parks many times have preferences for park models, leading to **discrimination** against mobile home residents. Additionally, **illegal utility fees** are rampant in these communities, another issue brought to light.



IMMIGRANT COMMUNITIES

CLS has worked with immigrant community organizations and members, from the undocumented community to the community of H-2A visa workers. The rights of both community groups are at risk within the immigration system. Community-based organizations CLS has worked with include **Community to Community Development, (C2C), Northwest Immigrant Rights Project, and various H-2A community members.**



This advocacy resulted in impacts for for immigrant communities such as requiring state agencies to provide services without regard to **immigration status**, limiting information exchanges between local government and ICE, and **protecting the rights** of H-2A farmworkers under federal anti-trafficking laws, state labor, and anti-discrimination laws.



CURRENT & FORMERLY INCARCERATED COMMUNITIES

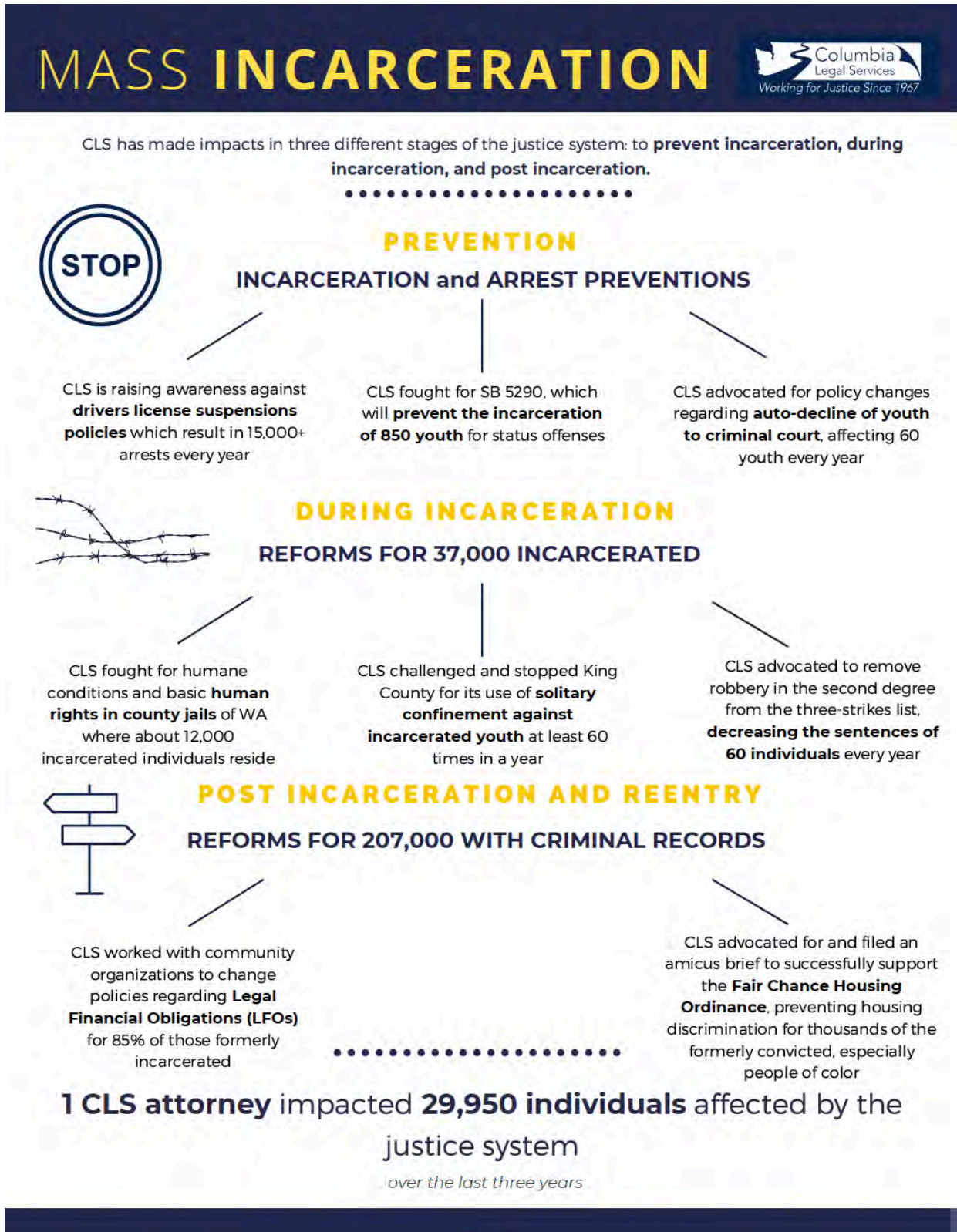
CLS has worked communities with experience in the justice system, especially people of color who make **46%** of WA's system. For example, CLS collaborated with community-based organizations such as **I Did the Time and WA Community Action Network** to pass legislation and fight lawsuits to protect the rights of and increase equitable access to opportunities for these community members.



While working with community members, CLS supported the reduction in **transferring incarcerated youth** to adult correctional facilities, fought for **adequate medical care** within prisons and jails. Additionally, with community members, CLS advocated for the **Fair Chance Housing Ordinance**, which prevents housing bias against the formerly incarcerated community.

<h1>40+</h1>	<h1>45</h1>	<h1>35</h1>
<p>CLS has worked with over 15 community-based organizations in the past three years</p>	<p>The number of class action lawsuits and house/senate bills that CLS worked on in the past three years to impact and empower communities of WA</p>	<p>35 Bills that CLS has advocated for in conjunction with communities address and work on racial disproportionalities</p>

4.5.6 Mass Incarceration



4.5.7 Immigrant Justice

IMMIGRANT JUSTICE



CLS' systemic impacts have reached three major immigrant communities in WA: **undocumented individuals, H-2A farmworkers, and unaccompanied youth.**

UNACCOMPANIED YOUTH

CLS worked with organizations such as Survivor Operative Solutions and the Northwest Immigrant Rights Project to protect youth by implementing the Vulnerable Youth Guardianship proceeding. This protect unaccompanied youth to ensure guardianship through the SIJS program.

↓
HB 1988



H-2A WORKERS

CLS has worked extensively to protect the labor, anti-discrimination, and anti-trafficking rights of H-2A workers, especially farm workers. Farm employers consistently provide poor working conditions, insufficient wages, and insufficient food and shelter for H-2A immigrants, despite their massive economic benefit to the state. Through bills and lawsuits, CLS has collaborated with community members to protect these rights.

↓ Sarbanand Farms Suit ↓ SB 5438

UNDOCUMENTED COMMUNITIES

CLS has worked with community organizations to protect the civil rights, labor rights, and safety of WA's undocumented community members. CLS' work in implementing "Keep Washington Working" to empower undocumented individuals and limit collaboration with ICE, and to protect undocumented farmworkers demonstrated impacts for these community members.

→ Keep Washington Working
→ SB 6529

12K

The number of immigrants 1 CLS attorney impacted over the last three years

\$4.9M

The amount of settlement funds dispersed from CLS class-action litigation to support various immigrant communities

15

The number of **systems-change class action lawsuits and House/Senate bills** that CLS worked on to impact immigrant communities of WA



2021 IMPACT REPORT

CAMPAIGN for
**EQUAL
JUSTICE**

LFW
LEGAL FOUNDATION
OF WASHINGTON

ENDOWMENT for
**EQUAL
JUSTICE**

DEAR FRIENDS AND COLLEAGUES,

We are grateful for you and your unwavering support for equal justice. As we slowly emerge from the COVID-19 pandemic, the number of people in poverty continues to rise, putting increasing demand on an overburdened and underfunded legal aid system.

Since the onset of the pandemic, families in Washington have faced increasingly complex civil legal issues. When people do not get the help they need, they face the risk of losing their homes, livelihood, or families. But when people receive legal help, there's a huge impact.

Together, our community of lawyers, judges, legal aid providers, and supporters of access to justice rallied and donated thousands of virtual pro bono hours and dollars to help people solve legal problems.

In 2021, LFW invested more than \$12.7 million in grants to Washington's legal aid system, including more than \$1.6 million in COVID-19 related emergency grants. As a result, over 20,000 families received free one-on-one legal services for help with urgent legal issues and hundreds of thousands benefitted from systemic advocacy designed to address oppression, injustice and root causes of poverty.

LFW committed to long-term systemic change by awarding half of our funding to impact litigation and policy reforms that advance rights for people experiencing poverty. We know that creating fair access to civil justice requires undoing systemic racial oppression and in 2022, we will continue to reflect racial justice and inclusion in all our grantmaking.

We look forward to our continued work with each of you to dismantle barriers to justice, increase racial equity and transform our legal system into a justice system that works for everyone.

With gratitude,

CAITLIN DAVIS

Executive Director, LFW

MICHAEL J. PONTAROLO

President, LFW, Board of Trustees

JOHN HOERSTER

Co-President, Endowment
for Equal Justice

MICHELLE MOERSFELDER

Co-President, Endowment
for Equal Justice

TOM VERTETIS

President, Campaign
for Equal Justice



LEGAL FOUNDATION OF WASHINGTON

2021 FINANCIAL STATEMENTS

REVENUE

Campaign Donations	\$2,600,325
Endowment Disbursement	\$942,624
Public Funding	\$3,514,000
IOLTA	\$3,434,641
COVID-Related Funding	\$23,115,636
Investment Income	\$950,481
Cy Pres	\$367,049
Total Revenue	\$34,924,756

EXPENSES

Grants & Grantee Support	\$12,722,384
COVID-Related Grants & Expenses	\$40,744,696
Management	\$508,104
Fundraising	\$480,067
Total Expenses	\$45,170,383

STATEMENT OF FINANCIAL POSITION

Total Assets	\$ 28,307,735
Total Liabilities	\$ 20,836,537
Total Net Assets	\$ 7,471,198

In 2021, LFW deepened our commitment to **EQUITABLE GRANTMAKING** by taking tangible steps to increase transparency, accessibility, and accountability.

ACTIONS TAKEN IN 2021 INCLUDE:

- Removed barriers to potential grantees by offering grant applications and reporting in languages other than English.
- Expanded our participatory Race Equity Grant program, designed to center the voices of communities most impacted by grantmaking decisions.
- Improved our data collection metrics to include BIPOC leadership as part of organizational demographics.
- Prioritized multiyear grants and general operating funding to increase the stability of resources and ability for programs to plan and grow.

2021 LFW BOARD MEMBERS

Michael J. Pontarolo, President
 Candelaria Murillo, Vice President
 Gary Melonson, Treasurer

Sean Davis, Secretary
 Juli Farris
 Mark Griffin

Mark Johnson
 Joanna Plichta Boisen
 Fred Rivera

The Campaign is our state's annual fund drive for civil legal aid in Washington. Thank you for contributing to fund equal access to justice. Since 1992, the Campaign has raised more than \$33 Million!

THANK YOU TO ALL OUR CAMPAIGN DONORS!

CAMPAIGN
DONORS 2021

6,989

FUNDS
RAISED IN 2021

\$2+ million



2021 WINNER WHATCOM COUNTY

2021 CAMPAIGN FOR EQUAL JUSTICE BOARD MEMBERS

EXECUTIVE COMMITTEE

Tom Vertetis, President

Kirsten Barron, Statewide Events Chair

Katie Rosen, Law Firm Campaign Co-Chair

Bridget Grotz, Law Firm Campaign Co-Chair

Shelly Andrew, Rainier Cup Co-Chair

Lindsey Trakel, Rainier Cup Co-Chair

Angelica Gonzalez, Associates Campaign Co-Chair

Sydney Codd, Associates Campaign Co-Chair

Beth Henderson, Corporate Campaign Chair

Quentin Batjer

Ann Margaret Brice

Brian Buckley

Angelita Chavez

Robert Croft

Heath Dixon

Meaghan Driscoll

Brad Elias

Billy Etter

Laura Gerber

Kellen Hade

Yemi Jackson

Larry Jefferson

Bill Kinsel

Kathleen Kyle

Nicholas Manheim

Dick Manning

Joel Merkel

Deane Minor

Elida Moran

Yousri Omar

Patrick Palace

Laurie Powers

Gregory Price

William Rava

Jeffrey Schaap

Bryan Smith

Gail Smith

Peter Talevich

John Teutsch

Roos Van Roemburg

Larry Ward

William Way

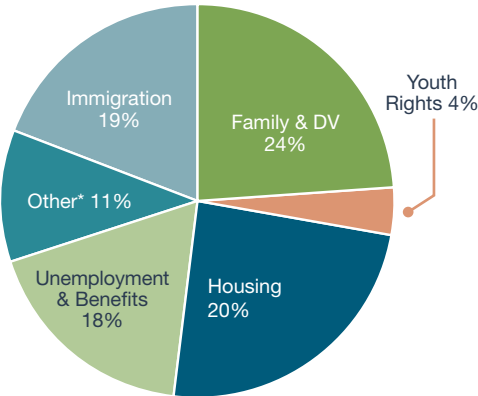
Thank you for helping families access Justice

IN 2021

<p>LFW INVESTED</p> <p>\$12.7 million</p> <p>in grants in Washington's legal aid system</p>	<p>+ MORE THAN</p> <p>\$1.6 million</p> <p>in COVID-19-related emergency eviction defense grants</p>	<p>RESULTING IN</p> <p>20,000 families</p> <p>receiving free one-on-one legal services for help with urgent legal concerns</p>
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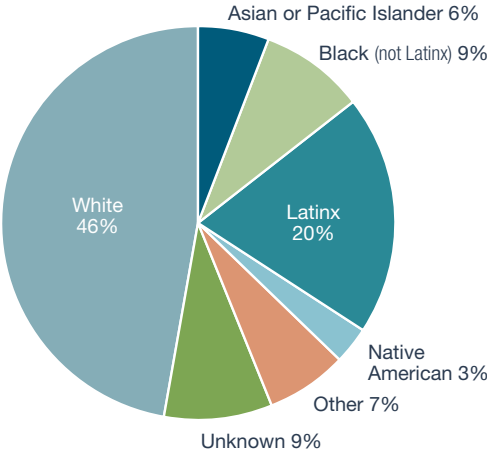
+ **hundreds of thousands** benefited from systemic advocacy designed to address oppression, injustice, and root causes of poverty

LEGAL PROBLEMS ADDRESSED IN 2021



*Other = Consumer, Employment, Post Conviction Rights, Assistance to Nonprofits, etc.

2021 CLIENT RACIAL DEMOGRAPHICS





The Endowment for Equal Justice was founded in 2000 to address the unpredictable nature of civil legal aid funding and to provide critical unrestricted funds that can be used for civil legal services and impact litigation and advocacy. As the nation’s largest sustainable investment fund dedicated to providing civil legal aid, the Endowment for Equal Justice has distributed more than \$5.8M over the last eight years in support of civil legal aid, while growing its investment fund to more than \$20M.

ENDOWMENT FOR EQUAL JUSTICE

2021 FINANCIAL STATEMENTS

REVENUE

Donations and Pledges	\$421,613
In-Kind Donations	\$55,782
Investment Income	\$2,826,100
Total Revenue	\$3,303,495

EXPENSES

Grant to LFW Program	\$942,624
Fundraising	\$27,477
Fundraising	\$258,406
Total Expenses	\$1,228,507

STATEMENT OF FINANCIAL POSITION

Net Assets Beginning of Year	\$22,226,869
Net Assets End of Year	\$24,301,858
Change in Assets	\$2,074,989

2021 ENDOWMENT FOR EQUAL JUSTICE BOARD MEMBERS

John Hoerster, Co-President
Michelle Moersfelder, Co-President
Salvador A. Mungia, Vice President
Ellen Dial, Treasurer
Kay E. Frank, Secretary
Rima Alaily

Beth Bloom
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Gail Mautner
Margaret A. Niles

Gerry Schley
Judge Michael Schwab (ret.)

ADVISORY COUNCIL

Justice Gerry Alexander (ret.)
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Protecting the Rights of Mobile Homeowners in Eastern Washington



Columbia Legal Services (CLS) advocates for laws that advance social, economic, and racial equity for people living in poverty. LFW is proud to have funded CLS with an annual general operating grant since 1984.

Manufactured housing remains an important form of affordable housing for many immigrant and low-income communities around the state. In 2015, Ferman Amado and 53 other farmworker families joined together to file a class action case as they were experiencing unfair housing practices in a mobile home park in Eastern Washington.



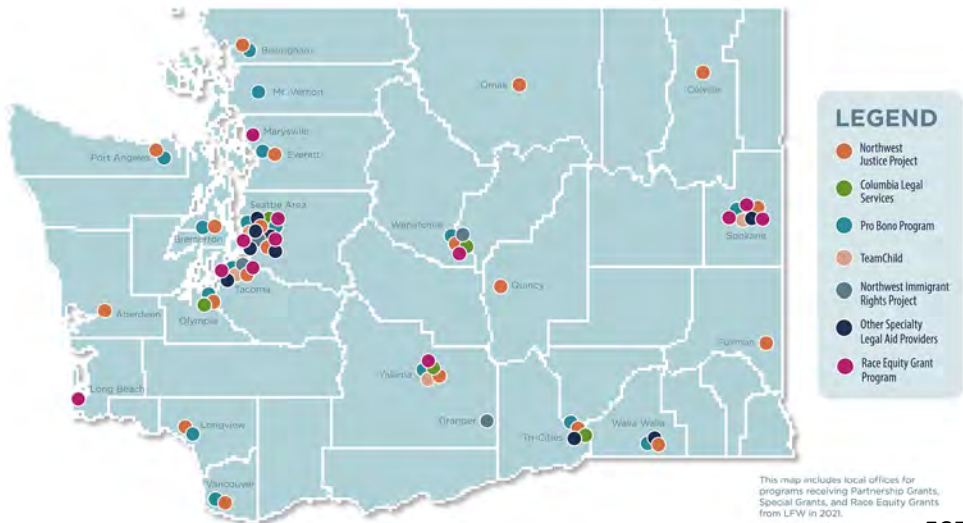
The lawsuit alleged violations of manufactured/mobile home landlord-tenant law and the Consumer Protection Act as the park owner repeatedly overcharged the tenants with various billing schemes while threatening to evict tenants who failed to immediately pay. CLS worked with co-counsel Nancy Isserlis at Winston & Cashatt in Spokane to reach a settlement that included monetary relief and a 5-year consent decree to protect the rights of these tenants to maintain their housing. However, the owner of the mobile home park repeatedly violated the decree and subsequently filed for bankruptcy. After several years in court, the case finally concluded in the Fall of 2021 with the bankruptcy judge ordering the sale of the park to the tenants and the tenants creating a cooperative to purchase the park with assistance from the Northwest Cooperative Development Center.

Client's Livelihood Protected from Creditor Harassment

In February 2021, an elderly client housed in independent living with state-assistance, reached out to the Benton-Franklin Legal Aid program for help after she had been severely harassed by several creditors for purchases she was unable to afford. The client described the creditors as being aggressive and threatening. The constant harassment and stress caused the client health issues, and she had been in the emergency room three times after talking with the creditors on the phone. Benton-Franklin Legal Aid quickly secured an attorney for the client, who got on the phone with the creditors to explain that he was sending his notice to them and that the calls needed to stop. The calls stopped immediately. The attorney decided filing for bankruptcy was the best option for the client. She qualified for the fee waiver in Federal Court and was able to erase her debt. The client's story ended successfully, and Benton-Franklin Legal Aid has since helped three other clients from the same independent living facility.



2021 LFW GRANTEE MAP





- Benefits Law Center
- Benton Franklin Legal Aid
- Blue Mountain Action Council
- Chelan-Douglas Volunteer Attorney Services
- Clallam-Jefferson Pro Bono Lawyers
- Clark County Volunteer Lawyers Program
- Colectiva Legal del Pueblo
- Columbia Legal Services
- Communities Rise
- Cowlitz-Wahkiakum Legal Aid
- Disability Rights Washington
- Eastside Legal Assistance Program
- Fair Work Center
- Global Rights Advocacy
- Gonzaga University's Removal Defense Project
- King County Bar Association Pro Bono Services
- Kitsap Legal Services
- Korean Women's Association
- Laurel Rubin Farmworker Justice Project
- La Casa Hogar
- Lavender Rights Project
- LAW Advocates
- Legal Counsel for Youth and Children
- Living with Conviction
- Northwest Immigrant Rights Project
- Northwest Justice Project
- Pacific County Immigrant Support
- Seattle Clemency Project
- Skagit Legal Aid
- Snohomish County Legal Services
- Solid Ground
- Spokane County Bar Volunteer Layers Program
- TacomaProBono Community Lawyers
- TeamChild
- The Way to Justice
- Thurston County Volunteer Legal Services
- Tulalip Foundation
- Unemployment Law Project
- Wenatchee for Immigrant Justice
- Yakima County Volunteer Attorney Services

2021 GRANTEEES



2022 ANNUAL CHIEF HEARING OFFICER REPORT
TO THE BOARD OF GOVERNORS

I. INTRODUCTION

The Washington Supreme Court appointed¹ me to serve as chief hearing officer for a two-year term beginning October 1, 2021. WSBA compensates the chief hearing officer \$30,000.00 per year through an independent contractor contract. This report, required by the contract, covers the time period October 1, 2021, through August 26, 2022.

II. DUTIES OF THE CHIEF HEARING OFFICER

Rules for Enforcement of Lawyer Conduct Rule 2.5(e)(2) sets out the chief hearing officer's duties and authority. The chief hearing officer also attends the Discipline Advisory Round Table Meetings and participates as an ex-officio member of the Disciplinary Selection Panel. This report summarizes the chief hearing officer's ELC 2.5 duties.

A. HEAR MATTERS

The chief hearing officer can hear matters. I conducted 2 hearings during this fiscal year.

B. ASSIGN CASES

The chief hearing officer assigns hearing officers and settlement hearing officers to individual proceedings from those the Washington Supreme Court appoints to the list. I have appointed 19 hearing officers and 11 settlement hearing officers between October 1, 2021, and August 26, 2022. There are no proceedings currently waiting for hearing officer appointments.

I receive a weekly report listing the cases needing hearing officer and settlement hearing officer assignments. The Formal Complaints are placed in a Box folder so I can access them as needed. I review the information and contact hearing officers who do not have current assignments. I have not had any difficulty finding hearing officers willing to accept new assignments. In fact, several consistently volunteer for more work. I have attempted to broaden the experience of all hearing officers by assigning them equally to settlement conferences, as well as to disciplinary and disability proceedings. To this extent I feel I have been successful. Fortunately, most disciplinary hearings only require 2-3 days, which is easier for hearing officers to accommodate. I will be challenged finding and assigning hearing officers to longer proceedings (in excess of one week), and may need to explore bifurcating proceedings, so as to not create an undue hardship on the hearing officer. (This is

¹ The Supreme Court, upon recommendation of the Board of Governors in consultation with the Disciplinary Selection Panel, appoints a chief hearing officer for a renewable term of two years. ELC 2.5(e)(1).

something commonly done in workers' compensation cases at the administrative level with the Board of Industrial Insurance Appeals).

C. MONITOR AND EVALUATE HEARING OFFICER PERFORMANCE

I monitor and evaluate hearing officer performance through frequent contact with the hearing officers and through review of written orders and decisions. Hearing officers frequently contact me with questions about hearing procedures, including questions about photographing and recording proceedings and controlling participant behavior. This fiscal year due to the Covid pandemic, we had many questions regarding remote and hybrid hearings, having transitioned our hearing format from primarily in-person hearings to fully remote or hybrid hearings. Hybrid hearings have both an in-person and remote component. In support of this transition, we established protocols for conducting remote and hybrid hearings and provided training on these protocols during our annual training.

D. HEAR MOTIONS FOR HEARING OFFICER DISQUALIFICATION

The parties can request hearing officer removal without cause once in each proceeding.² In addition, the parties may move to disqualify a hearing officer for cause.³ I have appointed a new hearing officer 4 time(s) when a party requested removal without cause. I decided 0 motion(s) requesting for cause removal.

E. HEAR PRE-HEARING MOTIONS WHEN NO HEARING OFFICER ASSIGNED

I have decided motions for orders of default, motions deferring discipline proceedings, motions objecting to investigative inquiries and investigative subpoenas, and approved stipulations. I have entered approximately 8 of these orders.

F. HEAR MOTIONS FOR PROTECTIVE ORDERS UNDER RULE 3.2(e)

I have decided 0 motions for protective order this year.

G. HEAR MOTIONS PRIOR TO MATTER BEING ORDERED TO HEARING, INCLUDING WHILE A GRIEVANCE IS BEING INVESTIGATED

I decided 2 of these motions this fiscal year.

H. HEAR REQUESTS FOR AMENDMENT OF FORMAL COMPLAINT UNDER RULE 10.7(b)

I have not decided any motions under this rule.

I. APPROVE STIPULATIONS TO DISCIPLINE NOT INVOLVING SUSPENSION OR DISBARMENT AS PROVIDED BY RULE 9.1(d)(2)

The chief hearing officer approves stipulations when a hearing officer has not been appointed. I approved approximately 5 stipulations during this fiscal year.

² ELC 10.2(b)(1).

³ ELC 10.2(b)(2).

J. RESPOND TO HEARING OFFICER REQUESTS FOR INFORMATION OR ADVICE RELATED TO THEIR DUTIES.

I responded to frequent requests for hearing officer information or advice relating to their duties. Many of the questions lead to topics for next year's training.

K. SUPERVISE HEARING OFFICER TRAINING IN ACCORDANCE WITH ESTABLISHED POLICIES

Hearing officer training is provided annually and includes CLE credit. We usually provide a five- or six-hour program in Seattle and provide Zoom to facilitate attendance by those outside of Seattle. Topics vary, but include changes to rules or procedures, Supreme Court cases decided over the last year, settlement skills, writing skills, diversity training and accessibility training. The most recent training was held remotely in April 2022. We also provided an orientation training for our new hearing officer in fall 2021. Our next training is targeted for fall 2022.

III. HEARING OFFICERS

We have 23 hearing officers. Hearing officers are appointed by the Supreme Court of Washington for initial two-year terms, followed by five-year terms. There is no limit on the number of 5-year terms. Hearing officer initial and re-appointment applications are reviewed by the Discipline Selection Panel (DSP), which may include receiving input from the chief hearing officer, the Office of Disciplinary Counsel, and a representative from the respondent's counsel community. The DSP makes a recommendation to the WSBA Board of Governors. The Board forwards a recommendation to the Court.

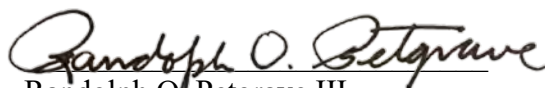
IV. STAFF

Allison Sato and Thea Jennings assist the chief hearing officer with his duties when needed.

V. CONCLUSION

I thank you all for the support I have received during my term as chief hearing officer. Please let me know if you have any specific questions.

Respectfully submitted this 6th day of September, 2022.



Randolph O. Petgrave III
Chief Hearing Officer

WASHINGTON STATE BAR ASSOCIATION

WSBA MISSION

The Washington State Bar Association’s mission is to serve the public and the members of the Bar, to ensure the integrity of the legal profession, and to champion justice.

WSBA GUIDING PRINCIPLES

The WSBA will operate a well-managed association that supports its members and advances and promotes:

- **Access to the justice system.**
Focus: Provide training and leverage community partnerships in order to enhance a culture of service for legal professionals to give back to their communities, with a particular focus on services to underserved low and moderate income people.
- **Diversity, equality, and cultural understanding throughout the legal community.**
Focus: Work to understand the lay of the land of our legal community and provide tools to members and employers in order to enhance the retention of minority legal professionals in our community.
- **The public’s understanding of the rule of law and its confidence in the legal system.**
Focus: Educate youth and adult audiences about the importance of the three branches of government and how they work together.
- **A fair and impartial judiciary.**
- **The ethics, civility, professionalism, and competence of the Bar.**

MISSION FOCUS AREAS

Ensuring Competent and Qualified Legal Professionals

- Cradle to Grave
- Regulation and Assistance

Promoting the Role of Legal Professionals in Society

- Service
- Professionalism

PROGRAM CRITERIA

- Does the Program further either or both of WSBA’s mission-focus areas?
- Does WSBA have the competency to operate the Program?
- As the mandatory bar, how is WSBA uniquely positioned to successfully operate the Program?
- Is statewide leadership required in order to achieve the mission of the Program?
- Does the Program’s design optimize the expenditure of WSBA resources devoted to the Program, including the balance between volunteer and staff involvement, the number of people served, the cost per person, etc?

2016 – 2018 STRATEGIC GOALS

- **Equip members with skills for the changing profession**
- **Promote equitable conditions for members from historically marginalized or underrepresented backgrounds to enter, stay and thrive in the profession**
- **Explore and pursue regulatory innovation and advocate to enhance the public’s access to legal services**

GR 12
REGULATION OF THE PRACTICE OF LAW

The Washington Supreme Court has inherent and plenary authority to regulate the practice of law in Washington. The legal profession serves clients, courts, and the public, and has special responsibilities for the quality of justice administered in our legal system. The Court ensures the integrity of the legal profession and protects the public by adopting rules for the regulation of the practice of law and actively supervising persons and entities acting under the Supreme Court's authority.

[Adopted effective September 1, 2017.]

GR 12.1
REGULATORY OBJECTIVES

Legal services providers must be regulated in the public interest. In regulating the practice of law in Washington, the Washington Supreme Court's objectives include: protection of the public; advancement of the administration of justice and the rule of law; meaningful access to justice and information about the law, legal issues, and the civil and criminal justice systems;

- (a) transparency regarding the nature and scope of legal services To be provided, the credentials of those who provide them, and the availability of regulatory protections;
- (b) delivery of affordable and accessible legal services;
- (c) efficient, competent, and ethical delivery of legal services;
- (d) protection of privileged and confidential information;
- (e) independence of professional judgment;
- (f) Accessible civil remedies for negligence and breach of other duties owed, disciplinary sanctions for misconduct, and advancement of appropriate preventive or wellness programs;
- (g) Diversity and inclusion among legal services providers and freedom from discrimination for those receiving legal services and in the justice system.

[Adopted effective September 1, 2017.]

GR 12.2
**WASHINGTON STATE BAR ASSOCIATION: PURPOSES, AUTHORIZED
ACTIVITIES, AND PROHIBITED ACTIVITIES**

In the exercise of its inherent and plenary authority to regulate the practice of law in Washington, the Supreme Court authorizes and supervises the Washington State Bar Association's activities. The Washington State Bar Association carries out the administrative responsibilities and functions expressly delegated to it by this rule and other Supreme Court rules and orders enacted or adopted to regulate the practice of law, including the purposes and authorized activities set forth below.

- (a) Purposes: In General. In general, the Washington State Bar Association strives to:

- (1) Promote independence of the judiciary and the legal profession.
- (2) Promote an effective legal system, accessible to all.
- (3) Provide services to its members and the public.
- (4) Foster and maintain high standards of competence, professionalism, and ethics among its members.
- (5) Foster collegiality among its members and goodwill between the legal profession and the public.
- (6) Promote diversity and equality in the courts and the legal profession.
- (7) Administer admission, regulation, and discipline of its members in a manner that protects the public and respects the rights of the applicant or member.
- (8) Administer programs of legal education.
- (9) Promote understanding of and respect for our legal system and the law.
- (10) Operate a well-managed and financially sound association, with a positive work environment for its employees.
- (11) Serve as a statewide voice to the public and to the branches of government on matters relating to these purposes and the activities of the association and the legal profession.

(b) Specific Activities Authorized. In pursuit of these purposes, the Washington State Bar Association may:

- (1) Sponsor and maintain committees and sections, whose activities further these purposes;
- (2) Support the judiciary in maintaining the integrity and fiscal stability of an independent and effective judicial system;
- (3) Provide periodic reviews and recommendations concerning court rules and procedures;
- (4) Administer examinations and review applicants' character and fitness to practice law;
- (5) Inform and advise its members regarding their ethical obligations;
- (6) Administer an effective system of discipline of its members, including receiving and investigating complaints of misconduct by legal professionals, taking and recommending appropriate punitive and remedial measures, and diverting less serious misconduct to alternatives outside the formal discipline system;
- (7) Maintain a program, pursuant to court rule, requiring members to submit fee disputes to arbitration;
- (8) Maintain a program for mediation of disputes between members and others;
- (9) Maintain a program for legal professional practice assistance;
- (10) Sponsor, conduct, and assist in producing programs and products of continuing legal education;

- (11) Maintain a system for accrediting programs of continuing legal education;
- (12) Conduct examinations of legal professionals' trust accounts;
- (13) Maintain a fund for client protection in accordance with the Admission and Practice Rules;
- (14) Maintain a program for the aid and rehabilitation of impaired members;
- (15) Disseminate information about the organization's activities, interests, and positions;
- (16) Monitor, report on, and advise public officials about matters of interest to the organization and the legal profession;
- (17) Maintain a legislative presence to inform members of new and proposed laws and to inform public officials about the organization's positions and concerns;
- (18) Encourage public service by members and support programs providing legal services to those in need;
- (19) Maintain and foster programs of public information and education about the law and the legal system;
- (20) Provide, sponsor, and participate in services to its members;
- (21) Hire and retain employees to facilitate and support its mission, purposes, and activities, including in the organization's discretion, authorizing collective bargaining;
- (22) Establish the amount of all license, application, investigation, and other related fees, as well as charges for services provided by the Washington State Bar Association, and collect, allocate, invest, and disburse funds so that its mission, purposes, and activities may be effectively and efficiently discharged. The amount of any license fee is subject to review by the Supreme Court for reasonableness and may be modified by order of the Court if the Court determines that it is not reasonable;

(23) Administer Supreme-Court-created boards in accordance with General Rule 12.3.

(c) Activities Not Authorized. The Washington State Bar Association will not:

- (1) Take positions on issues concerning the politics or social positions of foreign nations;
- (2) Take positions on political or social issues which do not relate to or affect the practice of law or the administration of justice; or
- (3) Support or oppose, in an election, candidates for public office.

[Adopted effective July 17, 1987; amended effective December 10, 1993; September 1, 1997; September 1, 2007; September 1, 2013; September 1, 2017.]

GR 12.3
WASHINGTON STATE BAR ASSOCIATION ADMINISTRATION
OF SUPREME COURT-CREATED BOARDS AND COMMITTEES

The Supreme Court has delegated to the Washington State Bar Association the authority and responsibility to administer certain boards and committees established by court rule or order. This delegation of authority includes providing and managing staff, overseeing the boards and committees to monitor their compliance with the rules and orders that authorize and regulate them, paying expenses reasonably and necessarily incurred pursuant to a budget approved by the Board of Governors, performing other functions and taking other actions as provided in court rule or order or delegated by the Supreme Court, or taking other actions as are necessary and proper to enable the board or committee to carry out its duties or functions.

[Adopted effective September 1, 2007; amended effective September 1, 2017.]

GR 12.4
WASHINGTON STATE BAR ASSOCIATION ACCESS TO
RECORDS

(a) Policy and Purpose. It is the policy of the Washington State Bar Association to facilitate access to Bar records. A presumption of public access exists for Bar records, but public access to Bar records is not absolute and shall be consistent with reasonable expectations of personal privacy, restrictions in statutes, restrictions in court rules, or as provided in court orders or protective orders issued under court rules. Access shall not unduly burden the business of the Bar.

(b) Scope. This rule governs the right of public access to Bar records. This rule applies to the Washington State Bar Association and its subgroups operated by the Bar including the Board of Governors, committees, task forces, commissions, boards, offices, councils, divisions, sections, and departments. This rule also applies to boards and committees under GR 12.3 administered by the Bar. A person or entity entrusted by the Bar with the storage and maintenance of Bar records is not subject to this rule and may not respond to a request for access to Bar records, absent express written authority from the Bar or separate authority in rule or statute to grant access to the documents.

(c) Definitions.

(1) "Access" means the ability to view or obtain a copy of a Bar record.

(2) "Bar record" means any writing containing information relating to the conduct of any Bar function prepared, owned, used, or retained by the Bar regardless of physical form or characteristics. Bar records include only those records in the possession of the Bar and its staff or stored under Bar ownership and control in facilities or servers. Records solely in the possession of hearing officers, non-Bar staff members of boards, committees, task forces, commissions, sections, councils, or divisions that were prepared by the hearing officers or the members and in their sole possession, including private notes and working papers, are not Bar records and are not subject to public access under this rule. Nothing in this rule requires the Bar to create a record that is not currently in possession of the Bar at the time of the request.

(3) "Writing" means handwriting, typewriting, printing, photostating, photographing, and every other means of recording any form of communication or representation in paper, digital, or other format.

(d) Bar Records--Right of Access.

(1) The Bar shall make available for inspection and copying all Bar records, unless the record falls within the specific exemptions of this rule, or any other state statute (including the Public Records Act, chapter 42.56 RCW) or federal statute or rule as they would be applied to a public agency, or is made confidential by the Rules of Professional Conduct, the Rules for Enforcement of Lawyer Conduct, the Admission to Practice Rules and associated regulations, the Rules for Enforcement of Limited Practice Officer Conduct, General Rule 25, court orders or protective orders issued under those rules, or any other state or federal statute or rule. To the extent required to prevent an unreasonable invasion of personal privacy interests or threat to safety or by the above-referenced rules, statutes, or orders, the Bar shall delete identifying details in a manner consistent with those rules, statutes, or orders when it makes available or publishes any Bar record; however, in each case, the justification for the deletion shall be explained in writing.

(2) In addition to exemptions referenced above, the following categories of Bar records are exempt from public access except as may expressly be made public by court rule:

(A) Records of the personnel committee, and personal information in Bar records for employees, appointees, members, or volunteers of the Bar to the extent that disclosure would violate their right to privacy, including home contact information (unless such information is their address of record), Social Security numbers, driver's license numbers, identification or security photographs held in Bar records, and personal data including ethnicity, race, disability status, gender, and sexual orientation. Membership class and status, bar number, dates of admission or licensing, addresses of record, and business telephone numbers, facsimile numbers, and electronic mail addresses (unless there has been a request that electronic mail addresses not be made public) shall not be exempt, provided that any such information shall be exempt if the Executive Director approves the confidentiality of that information for reasons of personal security or other compelling reason, which approval must be reviewed annually.

(B) Specific information and records regarding

(i) internal policies, guidelines, procedures, or techniques, the disclosure of which would reasonably be expected to compromise the conduct of disciplinary or regulatory functions, investigations, or examinations;

(ii) application, investigation, and hearing or proceeding records relating to lawyer, Limited Practice Officer, or Limited License Legal Technician admissions, licensing, or discipline, or that relate to the work of ELC 2.5 hearing officers, the Board of Bar Examiners, the Character and Fitness Board, the Law Clerk Board, the Limited Practice Board, the MCLE Board, the Limited License Legal Technician Board, the Practice of Law Board, or the Disciplinary Board in conducting investigations, hearings or proceedings; and

(iii) the work of the Judicial Recommendation Committee and the Hearing Officer selection panel, unless such records are expressly categorized as public information by court rule.

(C) Valuable formulae, designs, drawings, computer source code or object code, and research data created or obtained by the Bar.

(D) Information regarding the infrastructure, integrity, and security of computer and telecommunication networks, databases, and systems.

(E) Applications for licensure by the Bar and annual licensing forms and related records, including applications for license fee hardship waivers and any decision or determinations on the hardship waiver applications.

(F) Requests by members for ethics opinions to the extent that they contain information identifying the member or a party to the inquiry.

Information covered by exemptions will be redacted from the specific records sought. Statistical information not descriptive of any readily identifiable person or persons may be disclosed.

(3) Persons Who Are Subjects of Records.

(A) Unless otherwise required or prohibited by law, the Bar has the option to give notice of any records request to any member or third party whose records would be included in the Bar's response.

(B) Any person who is named in a record, or to whom a record specifically pertains, may present information opposing the disclosure to the applicable decision maker.

(C) If the Bar decides to allow access to a requested record, a person who is named in that record, or to whom the records specifically pertains, has a right to initiate review or to participate as a party to any review initiated by a requester. The deadlines that apply to a requester apply as well to a person who is a subject of a record.

(e) Bar Records--Procedures for Access.

(1) General Procedures. The Bar Executive Director shall appoint a Bar staff member to serve as the public records officer to whom all records requests shall be submitted. Records requests must be in writing and delivered to the Bar public records officer, who shall respond to such requests within 30 days of receipt. The Washington State Bar Association must implement this rule and adopt and publish on its website the public records officer's work mailing address, telephone number, fax number, and e-mail address, and the procedures and fee schedules for accepting and responding to records requests by the effective date of this rule. The Bar shall acknowledge receipt of the request within 14 days of receipt, and shall communicate with the requester as necessary to clarify any ambiguities as to the records being requested. Records requests shall not be directed to other Bar staff or to volunteers serving on boards, committees, task forces, commissions, sections, councils, or divisions.

(2) Charging of Fees.

(A) A fee may not be charged to view Bar records.

(B) A fee may be charged for the photocopying or scanning of Bar records according to the fee schedule established by the Bar and published on its web site.

(C) A fee not to exceed \$30 per hour may be charged for research services required to fulfill a request taking longer than one hour. The fee shall be assessed from the second hour onward.

(f) Extraordinary Requests Limited by Resource Constraints. If a particular request is of a magnitude or burden on resources that the Bar cannot fully comply within 30 days due to constraints on time, resources, and personnel, the Bar shall communicate this information to the requester along with a good faith estimate of the time needed to complete the Bar's response. The Bar must attempt to reach

agreement with the requester as to narrowing the request to a more manageable scope and as to a timeframe for the Bar's response, which may include a schedule of installment responses. If the Bar and requester are unable to reach agreement, the Bar shall respond to the extent practicable, clarify how and why the response differs from the request, and inform the requester that it has completed its response.

(g) Denials. Denials must be in writing and shall identify the applicable exemptions or other bases for denial as well as a written summary of the procedures under which the requesting party may seek further review.

(h) Review of Records Decisions.

(1) Internal Review. A person who objects to a record decision or other action by the Bar's public records officer may request review by the Bar's Executive Director.

(A) A record requester's petition for internal review must be submitted within 90 days of the Bar's public records officer's decision, on such form as the Bar shall designate and make available.

(B) The review proceeding is informal, summary, and on the record.

(C) The review proceeding shall be held within five working days. If that is not reasonably possible, then within five working days the review shall be scheduled for the earliest practical date.

(2) External Review. A person who objects to a records review decision by the Bar's Executive Director may request review by the Records Request Appeals Officer (RRAO) for the Bar.

(A) The requesting party's request for review of the Executive Director's decision must be deposited in the mail and postmarked or delivered to the Bar not later than 30 days after the issuance of the decision, and must be on such form as the Bar shall designate and make available.

(B) The review will be informal and summary, but in the sole discretion of the RRAO may include the submission of briefs no more than 20 pages long and of oral arguments no more than 15 minutes long.

(C) Decisions of the RRAO are final unless, within 30 days of the issuance of the decision, a request for discretionary review of the decision is filed with the Supreme Court. If review is granted, review is conducted by the Chief Justice of the Washington Supreme Court or his or her designee in accordance with procedures established by the Supreme Court. A designee of the Chief Justice shall be a current or former elected judge. The review proceeding shall be on the record, without additional briefing or argument unless such is ordered by the Chief Justice or his or her designee.

(D) The RRAO shall be appointed by the Board of Governors. The Bar may reimburse the RRAO for all necessary and reasonable expenses incurred in the completion of these duties, and may provide compensation for the time necessary for these reviews at a level established by the Board of Governors.

(i) Monetary Awards Not Allowed. Attorney fees, costs, civil penalties, or fines may not be awarded under this rule.

(j) Effective Date of Rule.

(1) This rule goes into effect on July 1, 2014, and applies to records that are created on or after that date.

(2) Public access to records that are created before that date are to be analyzed according to other court rules, applicable statutes, and the common law balancing test; the Public Records Act, chapter 42.56 RCW, does not apply to such Bar records, but it may be used for nonbinding guidance.

[Adopted effective July 1, 2014; amended effective September 1, 2017.]

**GR 12.5
IMMUNITY**

All boards, committees, or other entities, and their members and personnel, and all personnel and employees of the Washington State Bar Association, acting on behalf of the Supreme Court under the Admission and Practice Rules, the Rules for Enforcement of Lawyer Conduct, or the disciplinary rules for limited practice officers and limited license legal technicians, shall enjoy quasi-judicial immunity if the Supreme Court would have immunity in performing the same functions.

[Adopted effective January 2, 2008; amended effective September 1, 2017.]

2021-2022
WSBA BOARD OF GOVERNORS MEETING SCHEDULE

MEETING DATE	LOCATION	POTENTIAL ISSUES / SOCIAL FUNCTION	AGENDA ITEMS DUE FOR EXEC COMMITTEE MTG	EXECUTIVE COMMITTEE MTG 9:00 am–12:00 pm	BOARD BOOK MATERIALS DEADLINE
November 4-5, 2021	Silver Cloud Hotel Tacoma Point Ruston Waterfront Ruston, WA	BOG Meeting	October 1, 2021	October 8, 2021	October 18, 2021
January 13-14, 2022	WSBA Conference Center Seattle, WA	BOG Meeting MLK Luncheon Jan. 14	November 29, 2021	December 6, 2021	December 27, 2021
March 10-11, 2022	St. Martin’s University Lacey, WA Temple of Justice	BOG Meeting BOG Meeting with Supreme Court	January 28, 2022	February 4, 2022	February 21, 2022
May 19-20, 2022	The Davenport Grand Spokane, WA	BOG Meeting	April 11, 2022	April 18, 2022	May 2, 2022
July 13-15, 2022	Tacoma Convention Center Tacoma, WA	BOG Retreat BOG Meeting	June 6, 2022	June 13, 2022	June 27, 2022
September 22-23, 2022	Courtyard Marriott Bellevue, WA	BOG Meeting	August 15, 2022	August 22, 2022	September 5, 2022

The Board Book Material Deadline is the final due date for submission of materials for the respective Board meeting. Please notify the Executive Director's office in advance of possible late materials. Refer to 1305 BOG Action Procedure on how to bring agenda items to the Board.

This information can be found online at: <https://www.wsba.org/about-wsba/who-we-are/board-of-governors>



WSBA Board of Governors CONGRESSIONAL DISTRICT MAP



Brian Tollefson
President-Elect



Dan Clark
President-Elect



Kyle Sciuchetti
Immediate Past
President



Bryn Peterson
Treasurer



Terra Nevitt
Executive Director
& Secretary

2021-2022



Sunitha Anjilvel
Governor District 1



Carla Higginson
Governor District 2



Brett Purtzer
Governor District 6



Matthew Dresden
Governor District 7-North



Serena Sayani
Governor District 7-South



Brent Williams-Ruth
Governor District 8



Bryn Peterson
Governor District 9



Thomas A. McBride
Governor District 10



Dan Clark
Governor District 4



Lauren Boyd
Governor District 3



Hunter Abell
Governor At-Large



Jordan Couch
Governor At-Large



Alec Stephens
Governor At-Large

BASIC CHARACTERISTICS OF MOTIONS

*From: The Complete Idiot's Guide to Robert's Rules
The Guerilla Guide to Robert's Rules*

MOTION	PURPOSE	INTERRUPT SPEAKER?	SECOND NEEDED?	DEBATABLE?	AMENDABLE?	VOTE NEEDED
1. Fix the time to which to adjourn	Sets the time for a continued meeting	No	Yes	No ¹	Yes	Majority
2. Adjourn	Closes the meeting	No	Yes	No	No	Majority
3. Recess	Establishes a brief break	No	Yes	No ²	Yes	Majority
4. Raise a Question of Privilege	Asks urgent question regarding to rights	Yes	No	No	No	Rules by Chair
5. Call for orders of the day	Requires that the meeting follow the agenda	Yes	No	No	No	One member
6. Lay on the table	Puts the motion aside for later consideration	No	Yes	No	No	Majority
7. Previous question	Ends debate and moves directly to the vote	No	Yes	No	No	Two-thirds
8. Limit or extend limits of debate	Changes the debate limits	No	Yes	No	Yes	Two-thirds
9. Postpone to a certain time	Puts off the motion to a specific time	No	Yes	Yes	Yes	Majority ³
10. Commit or refer	Refers the motion to a committee	No	Yes	Yes	Yes	Majority
11. Amend an amendment (secondary amendment)	Proposes a change to an amendments	No	Yes	Yes ⁴	No	Majority
12. Amend a motion or resolution (primary amendment)	Proposes a change to a main motion	No	Yes	Yes ⁴	Yes	Majority
13. Postpone indefinitely	Kills the motion	No	Yes	Yes	No	Majority
14. Main motion	Brings business before the assembly	No	Yes	Yes	Yes	Majority

1 Is debatable when another meeting is scheduled for the same or next day, or if the motion is made while no question is pending

2 Unless no question is pending

3 Majority, unless it makes question a special order

4 If the motion it is being applied to is debatable



Discussion Protocols Board of Governors Meetings

Philosophical Statement:

“We take serious our representational responsibilities and will try to inform ourselves on the subject matter before us by contact with constituents, stakeholders, WSBA staff and committees when possible and appropriate. In all deliberations and actions we will be courageous and keep in mind the need to represent and lead our membership and safeguard the public. In our actions, we will be mindful of both the call to action and the constraints placed upon the WSBA by GR 12 and other standards.”

Governor’s Commitments:

1. Tackle the problems presented; don’t make up new ones.
2. Keep perspective on long-term goals.
3. Actively listen to understand the issues and perspective of others before making the final decision or lobbying for an absolute.
4. Respect the speaker, the input and the Board’s decision.
5. Collect your thoughts and speak to the point – sparingly!
6. Foster interpersonal relationships between Board members outside Board events.
7. Listen and be courteous to speakers.
8. Speak only if you can shed light on the subject, don’t be repetitive.
9. Consider, respect and trust committee work but exercise the Board’s obligation to establish policy and insure that the committee work is consistent with that policy and the Board’s responsibility to the WSBA’s mission.
10. Seek the best decision through quality discussion and ample time (listen, don’t make assumptions, avoid sidebars, speak frankly, allow time before and during meetings to discuss important matters).
11. Don’t repeat points already made.
12. Everyone should have a chance to weigh in on discussion topics before persons are given a second opportunity.
13. No governor should commit the board to actions, opinions, or projects without consultation with the whole Board.
14. Use caution with e-mail: it can be a useful tool for debating, but e-mail is not confidential and does not easily involve all interests.
15. Maintain the strict confidentiality of executive session discussions and matters.



BOARD OF GOVERNORS

WSBA VALUES

Through a collaborative process, the WSBA Board of Governors and Staff have identified these core values that shall be considered by the Board, Staff, and WSBA volunteers (collectively, the “WSBA Community”) in all that we do.

To serve the public and our members and to promote justice, the WSBA Community values the following:

- Trust and respect between and among Board, Staff, Volunteers, Members, and the public
- Open and effective communication
- Individual responsibility, initiative, and creativity
- Teamwork and cooperation
- Ethical and moral principles
- Quality customer-service, with member and public focus
- Confidentiality, where required
- Diversity and inclusion
- Organizational history, knowledge, and context
- Open exchanges of information



BOARD OF GOVERNORS

GUIDING COMMUNICATION PRINCIPLES

In each communication, I will assume the good intent of my fellow colleagues; earnestly and actively listen; encourage the expression of and seek to affirm the value of their differing perspectives, even where I may disagree; share my ideas and thoughts with compassion, clarity, and where appropriate confidentiality; and commit myself to the unwavering recognition, appreciation, and celebration of the humanity, skills, and talents that each of my fellow colleagues bring in the spirit and effort to work for the mission of the WSBA. Therefore, I commit myself to operating with the following norms:

- ◆ I will treat each person with courtesy and respect, valuing each individual.
- ◆ I will strive to be nonjudgmental, open-minded, and receptive to the ideas of others.
- ◆ I will assume the good intent of others.
- ◆ I will speak in ways that encourage others to speak.
- ◆ I will respect others' time, workload, and priorities.
- ◆ I will aspire to be honest and open in all communications.
- ◆ I will aim for clarity; be complete, yet concise.
- ◆ I will practice "active" listening and ask questions if I don't understand.
- ◆ I will use the appropriate communication method (face-to-face, email, phone, voicemail) for the message and situation.
- ◆ When dealing with material of a sensitive or confidential nature, I will seek and confirm that there is mutual agreement to the ground rules of confidentiality at the outset of the communication.
- ◆ I will avoid triangulation and go directly to the person with whom I need to communicate. (If there is a problem, I will go to the source for resolution rather than discussing it with or complaining to others.)
- ◆ I will focus on reaching understanding and finding solutions to problems.
- ◆ I will be mindful of information that affects, or might be of interest or value to, others, and pass it along; err on the side of over-communication.
- ◆ I will maintain a sense of perspective and respectful humor.



BOARD OF GOVERNORS

Anthony David Gipe
President

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e-mail: adgipeWSBA@gmail.com

November 2014

BEST PRACTICES AND EXPECTATIONS

❖ Attributes of the Board

- Competence
- Respect
- Trust
- Commitment
- Humor

❖ Accountability by Individual Governors

- Assume Good Intent
- Participation/Preparation
- Communication
- Relevancy and Reporting

❖ Team of Professionals

- Foster an atmosphere of teamwork
 - Between Board Members
 - The Board with the Officers
 - The Board and Officers with the Staff
 - The Board, Officers, and Staff with the Volunteers

- We all have common loyalty to the success of WSBA

❖ Work Hard and Have Fun Doing It

Working Together to Champion Justice

WASHINGTON STATE
BAR ASSOCIATION

Financial Reports

(Unaudited)

Year to Date July 31, 2022

Prepared by

Maggie Yu, Controller & Darshita Patel, Accountant

Submitted by

Tiffany Lynch, Director of Finance

August 23, 2022

WASHINGTON STATE BAR ASSOCIATION

To: Board of Governors
Budget and Audit Committee

From: Terra Nevitt, ED; Tiffany Lynch, Director of Finance; Maggie Yu, Controller

Re: Key Financial Benchmarks for the Preliminary Fiscal Year to Date (YTD) through July 31, 2022
As % of Completion to Annual Budget

	% of Year	Current Year % YTD	Current Year \$ Difference Favorable/(Unfavorable)	Prior Year YTD	Comments
Total Salaries & Benefits	83%	83%	\$109,737	84%	Favorable to reforecast due to vacant positions.
Other Indirect Expenses*	83%	79%	\$172,184	73%	Favorable to reforecast due to timing of expenses on workplace benefits, legal fees, telephone and internet. Expect to be on reforecast at year end.
Total Indirect Expenses	83%	82%	\$281,920	81%	Favorable to reforecast for the reasons described above.

General Fund Revenues	83%	87%	\$851,770	89%	Favorable to reforecast due to higher than anticipated revenues primarily driven by license fees, exam fee, Pro Hac Vice application fees, and MCLE fees.
General Fund Indirect Expenses	83%	82%	\$282,740	82%	Favorable to reforecast due to vacant positions and under spending of workplace benefits, legal fees, telephone and internet. Expect to be on reforecast at year end.
General Fund Direct Expenses	83%	55%	\$714,741	58%	Trending favorable to reforecast due to the timing of payments. Expect to end the year favorable to reforecast.
General Fund Net	83%	870%	\$1,849,251	1,586%	Favorable to reforecast for the reasons described above.

CLE Revenue	83%	79%	(\$87,257)	88%	Unfavorable to reforecast due to lower than anticipated seminar registration and desk book profit share.
CLE Direct Expenses	83%	33%	\$180,447	48%	Trending favorable to reforecast due to the timing of payments and lower spending than anticipated. Expect to be on reforecast at the end of year.
CLE Indirect Expenses	83%	84%	(\$6,504)	80%	Slightly unfavorable to reforecast. Variance is immaterial.
CLE Net	83%	97%	\$86,685	110%	Favorable to reforecast for the reasons described above.

*Workplace benefits, Human Resources, meeting support, rent, taxes, furniture & maintenance, office supplies, depreciation, insurance, equipment, professional fees (legal & audit), internet & telephone, postage, storage, bank fees, Technology

**Washington State Bar Association Financial Summary
Compared to Fiscal Year 2022 Reforecast
For the Period from July 1, 2022 to July 31, 2022**

Category	Actual Revenues	Reforecasted Revenues	Actual Indirect Expenses	Reforecasted Indirect Expenses	Actual Direct Expenses	Reforecasted Direct Expenses	Actual Total Expenses	Reforecasted Total Expenses	Actual Net Result	Reforecasted Net Result
Access to Justice	-	-	133,508	152,194	10,784	49,175	144,292	201,369	(144,292)	(201,369)
Administration	47,155	7,520	860,203	1,022,741	1,318	13,150	861,621	1,035,891	(814,466)	(1,028,371)
Admissions/Bar Exam	1,166,050	1,269,353	742,358	861,929	200,640	388,157	942,999	1,250,086	223,051	19,267
Advancement FTE	-	-	282,539	342,229	2,179	4,267	284,719	346,495	(284,719)	(346,495)
Bar News	555,626	621,700	278,726	327,222	280,249	378,800	558,975	706,022	(3,349)	(84,322)
Board of Governors	-	-	143,417	180,684	230,151	329,380	373,567	510,064	(373,567)	(510,064)
Character & Fitness Board	-	-	11,683	43,720	3,379	25,000	15,063	68,720	(15,063)	(68,720)
Communications Strategies	3,069	1,113	513,391	625,393	27,690	98,408	541,081	723,801	(538,012)	(722,688)
Communications Strategies FTE	-	-	184,342	225,526	-	-	184,342	225,526	(184,342)	(225,526)
Discipline	92,855	122,036	4,647,705	5,965,662	122,914	213,924	4,770,619	5,879,586	(4,677,764)	(5,757,549)
Diversity	135,000	135,000	237,167	277,700	27,667	154,720	264,834	432,420	(129,834)	(297,420)
EJD FTE	-	-	174,642	191,583	-	-	174,642	191,583	(174,642)	(191,583)
Foundation	-	-	102,520	126,340	1,002	6,090	103,521	132,430	(103,521)	(132,430)
Human Resources	-	-	381,776	459,945	-	-	381,776	459,945	(381,776)	(459,945)
Law Clerk Program	193,776	222,500	98,126	125,989	-	5,683	98,126	131,672	95,650	90,828
Legislative	-	-	180,382	228,227	12,181	24,883	192,564	253,110	(192,564)	(253,110)
Legal Lunchbox	44,035	42,000	36,491	48,136	-	100	36,491	48,236	7,545	(6,236)
Licensing and Membership Records	381,157	411,503	487,491	599,433	25,267	24,619	512,758	624,052	(131,601)	(212,549)
Licensing Fees	14,065,989	16,512,089	-	-	-	-	-	14,065,989	16,512,089	16,512,089
Limited License Legal Technician	17,014	17,484	59,196	63,587	13,739	19,949	72,935	83,536	(55,921)	(66,052)
Limited Practice Officers	184,963	213,795	82,763	84,798	7,882	29,690	90,644	114,489	94,318	99,307
Mandatory CLE	1,311,400	1,382,807	557,661	654,787	23,230	33,442	580,891	688,230	730,509	694,577
Member Wellness Program	7,500	7,292	147,156	194,191	10,226	14,542	157,382	208,733	(149,882)	(201,441)
Member Services & Engagement	56,976	20,000	334,484	416,320	3,301	23,250	337,784	439,570	(280,808)	(419,570)
Mimi CLE	-	-	80,903	106,712	-	-	80,903	106,712	(80,903)	(106,712)
New Member Education	38,296	91,500	70,123	90,056	-	2,000	70,123	92,056	(31,827)	(556)
Office of General Counsel	1,126	-	797,675	951,241	11,120	28,071	808,795	979,313	(807,669)	(979,313)
Office of the Executive Director	-	-	394,595	519,115	49,138	76,932	443,733	596,047	(443,733)	(596,047)
OGC-Disciplinary Board	-	-	144,753	179,945	67,472	128,591	212,224	308,536	(212,224)	(308,536)
Practice of Law Board	-	-	58,928	67,261	-	12,000	58,928	79,261	(58,928)	(79,261)
Practice Management Assistance	226	40,226	-	-	72,488	80,400	72,488	80,400	(72,262)	(40,174)
Professional Responsibility Program	-	-	219,429	273,637	653	6,827	220,082	280,465	(220,082)	(280,465)
Public Service Programs	130,000	130,000	122,181	138,075	155,570	258,280	277,751	396,355	(147,751)	(266,355)
Publication and Design Services	-	-	87,908	109,040	4,200	4,300	92,108	113,340	(92,108)	(113,340)
Regulatory Services FTE	-	-	410,147	508,467	-	7,500	410,147	515,967	(410,147)	(515,967)
Sections Administration	362,825	284,000	223,969	281,393	5,133	6,893	229,102	288,886	133,722	(4,886)
Service Center	68,806	164,600	536,163	661,923	6,052	10,600	542,215	672,523	(542,215)	(672,523)
Volunteer Engagement	-	-	76,398	93,798	1,946	51,150	78,344	144,948.38	(78,344)	(144,948)
Technology	-	-	1,471,255	1,886,393	-	-	1,471,255	1,886,393	(1,471,255)	(1,886,393)
Subtotal General Fund	18,795,037	21,531,920	15,372,255	18,785,994	1,377,569	2,510,772	16,749,824	21,296,766	2,045,213	235,154
Expenses using reserve funds	-	-	-	-	-	-	-	-	-	-
Total General Fund - Net Result from Operations									2,045,213	235,154
Percentage of Budget	87%		82%		55%		79%			
CLE-Seminars and Products	1,693,671	2,055,081	838,697	994,140	108,885	288,841	947,582	1,282,981	746,089	772,100
CLE-Deskbooks	68,806	164,600	172,424	211,400	6,052	8,639	181,063	280,125	(112,538)	(115,525)
Total CLE	1,762,477	2,219,681	1,011,121	1,205,540	114,937	357,566	1,128,645	1,563,106	633,551	656,575
Percentage of Budget	79%		33%		3%		72%			
Total All Sections	643,357	637,652	-	-	495,686	899,652	495,686	899,652	147,671	(262,000)
Client Protection Fund-Restricted	717,167	828,319	133,743	167,313	65,843	503,767	199,586	671,081	517,581	157,238
Totals	21,918,038	25,217,572	16,517,119	20,158,848	2,056,623	4,271,757	18,573,742	24,430,604	3,344,296	786,968
Percentage of Budget	87%		82%		48%		76%			

	Fund Balances Sept. 30, 2021	2022 Reforecasted Fund Balances	Fund Balances Year to date
Restricted Funds:			
Client Protection Fund	4,046,246	4,203,484	4,563,827
Board-Designated Funds (Non-General Fund):			
CLE Fund Balance	648,792	1,305,367	1,282,623
Section Funds	1,508,843	1,246,843	1,656,514
Board-Designated Funds (General Fund):			
Operating Reserve Fund	1,500,000	1,500,000	1,500,000
Facilities Reserve Fund	1,050,000	1,050,000	1,050,000
Unrestricted Funds (General Fund):			
Unrestricted General Fund	4,522,174	4,757,328	6,567,387
Total General Fund Balance	7,072,174	7,307,328	9,117,387
Net Change in Total General Fund Balance		235,154	2,045,213
Total Fund Balance	13,276,054	14,063,022	16,620,351
Net Change in Fund Balance		786,968	3,344,296

Washington State Bar Association

Statement of Activities

For the Period from July 1, 2022 to July 31, 2022

83% OF YEAR COMPLETE

	FISCAL 2022 REFORECAST	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF REFORECAST	YEAR TO DATE VARIANCE FAVORABLE/(UNFAVORABLE)
LICENSE FEES						
REVENUE:						
LICENSE FEES	16,512,089	1,387,536	14,065,989	2,446,100	85%	305,915
TOTAL REVENUE:	16,512,089	1,387,536	14,065,989	2,446,100	85%	305,915

Washington State Bar Association

Statement of Activities

For the Period from July 1, 2022 to July 31, 2022

83% OF YEAR COMPLETE

	FISCAL 2022 REFORECAST	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF REFORECAST	YEAR TO DATE VARIANCE FAVORABLE/(UNFAVORABLE)
ACCESS TO JUSTICE						
REVENUE:						
TOTAL REVENUE:	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>		<u>-</u>
DIRECT EXPENSES:						
SURVEYS	100	-	-	100	0%	83
ATJ BOARD RETREAT	2,000	-	396	1,604	20%	1,271
LEADERSHIP TRAINING	2,000	-	2,000	0	100%	(333)
ATJ BOARD EXPENSE	24,000	-	7,604	16,396	32%	12,396
STAFF TRAVEL/PARKING	2,700	-	209	2,491	8%	2,041
STAFF CONFERENCE & TRAINING	2,875	-	350	2,525	12%	2,046
PUBLIC DEFENSE	6,000	-	225	5,775	4%	4,775
RECEPTION/FORUM EXPENSE	9,500	-	-	9,500	0%	7,917
TOTAL DIRECT EXPENSES:	<u>49,175</u>	<u>-</u>	<u>10,784</u>	<u>38,391</u>	<u>22%</u>	<u>30,196</u>
INDIRECT EXPENSES:						
SALARY EXPENSE (1.30 FTE)	83,512	8,648	76,808	6,704	92%	(7,215)
BENEFITS EXPENSE	32,843	2,719	27,026	5,817	82%	344
OTHER INDIRECT EXPENSE	35,839	2,390	29,674	6,165	83%	191
TOTAL INDIRECT EXPENSES:	<u>152,194</u>	<u>13,757</u>	<u>133,508</u>	<u>18,686</u>	<u>88%</u>	<u>(6,680)</u>
TOTAL ALL EXPENSES:	<u>201,369</u>	<u>13,757</u>	<u>144,292</u>	<u>57,077</u>	<u>72%</u>	<u>23,516</u>
NET INCOME (LOSS):	<u>(201,369)</u>	<u>(13,757)</u>	<u>(144,292)</u>	<u>(57,077)</u>	<u>72%</u>	<u>23,516</u>

Washington State Bar Association

Statement of Activities

For the Period from July 1, 2022 to July 31, 2022

83% OF YEAR COMPLETE

	FISCAL 2022 REFORECAST	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF REFORECAST	YEAR TO DATE VARIANCE FAVORABLE/(UNFAVORABLE)
ADMINISTRATION						
REVENUE:						
INTEREST INCOME	5,160	20,840	47,155	(41,995)	914%	42,855
MISCELLANEOUS	2,360	-	-	2,360	0%	(1,967)
TOTAL REVENUE:	7,520	20,840	47,155	(39,635)	627%	40,889
DIRECT EXPENSES:						
CONSULTING SERVICES	10,000	-	-	10,000	0%	8,333
STAFF TRAVEL/PARKING	2,800	-	326	2,474	12%	2,008
STAFF CONFERENCE & TRAINING	350	-	-	350	0%	292
MISCELLANEOUS	-	803	993	(993)		(993)
TOTAL DIRECT EXPENSES:	13,150	803	1,318	11,832	10%	9,640
INDIRECT EXPENSES:						
SALARY EXPENSE (6.92 FTE)	644,230	36,319	545,714	98,516	85%	(8,856)
BENEFITS EXPENSE	185,078	15,884	157,250	27,828	85%	(3,019)
OTHER INDIRECT EXPENSE	193,433	12,673	157,339	36,095	81%	3,856
TOTAL INDIRECT EXPENSES:	1,022,741	64,875	860,303	162,438	84%	(8,019)
TOTAL ALL EXPENSES:	1,035,891	65,679	861,621	174,270	83%	1,621
NET INCOME (LOSS):	(1,028,371)	(44,839)	(814,466)	(213,905)	79%	42,510

Washington State Bar Association

Statement of Activities

For the Period from July 1, 2022 to July 31, 2022

83% OF YEAR COMPLETE

	FISCAL 2022 REFORECAST	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF REFORECAST	YEAR TO DATE VARIANCE FAVORABLE/(UNFAVORABLE)
ADMISSIONS						
REVENUE:						
EXAM SOFT REVENUE	-	-	6,995	(6,995)		6,995
BAR EXAM FEES	1,212,376	26,420	1,101,535	110,841	91%	91,222
RULE 9/LEGAL INTERN FEES	11,242	600	10,950	292	97%	1,581
SPECIAL ADMISSIONS	45,734	2,480	46,570	(836)	102%	8,458
TOTAL REVENUE:	1,269,353	29,500	1,166,050	103,303	92%	108,256
DIRECT EXPENSES:						
POSTAGE	1,200	-	-	1,200	0%	1,000
STAFF TRAVEL/PARKING	12,136	2,238	8,471	3,665	70%	1,642
STAFF MEMBERSHIP DUES	800	250	250	550	31%	417
SUPPLIES	2,500	-	2,710	(210)	108%	(626)
FACILITY, PARKING, FOOD	93,038	32,652	71,331	21,707	77%	6,200
EXAMINER FEES	36,000	16,000	27,500	8,500	76%	2,500
UBE EXMINATIONS	126,900	-	31,420	95,480	25%	74,330
BOARD OF BAR EXAMINERS	23,000	-	4,251	18,749	18%	14,916
BAR EXAM PROCTORS	31,000	-	13,468	17,532	43%	12,365
DISABILITY ACCOMMODATIONS	20,500	1,000	11,086	9,414	54%	5,997
CHARACTER & FITNESS INVESTIGATIONS	2,000	49	108	1,892	5%	1,559
LAW SCHOOL VISITS	850	-	-	850	0%	708
DEPRECIATION-SOFTWARE	21,235	2,037	20,445	790	96%	(2,749)
STAFF CONFERENCE & TRAINING	13,380	-	6,645	6,735	50%	4,505
ONLINE LEGAL RESEARCH	3,467	317	2,839	627	82%	50
LAW LIBRARY	151	12	115	36	76%	11
TOTAL DIRECT EXPENSES:	388,157	54,554	200,640	187,517	52%	122,824
INDIRECT EXPENSES:						
SALARY EXPENSE (6.75 FTE)	497,669	42,272	444,476	53,193	89%	(29,752)
BENEFITS EXPENSE	165,832	14,204	140,871	24,961	85%	(2,677)
OTHER INDIRECT EXPENSE	198,428	12,646	157,012	41,416	79%	8,345
TOTAL INDIRECT EXPENSES:	861,929	69,123	742,358	119,570	86%	(24,084)
TOTAL ALL EXPENSES:	1,250,086	123,677	942,999	307,087	75%	98,739
NET INCOME (LOSS):	19,267	(94,177)	223,051	(203,784)	1158%	206,996

Washington State Bar Association

Statement of Activities

For the Period from July 1, 2022 to July 31, 2022

83% OF YEAR COMPLETE

	FISCAL 2022 REFORECAST	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF REFORECAST	YEAR TO DATE VARIANCE FAVORABLE/(UNFAVORABLE)
ADVANCEMENT FTE						
REVENUE:						
TOTAL REVENUE:	-	-	-	-		-
DIRECT EXPENSES:						
STAFF CONFERENCE & TRAINING	4,267	-	2,179	2,087	51%	1,376
TOTAL DIRECT EXPENSES:	4,267	-	2,179	2,087	51%	1,376
INDIRECT EXPENSES:						
SALARY EXPENSE (1.90 FTE)	224,156	18,797	185,757	38,399	83%	1,040
BENEFITS EXPENSE	61,974	5,472	53,665	8,309	87%	(2,020)
OTHER INDIRECT EXPENSE	56,099	3,472	43,118	12,981	77%	3,631
TOTAL INDIRECT EXPENSES:	342,229	27,742	282,539	59,689	83%	2,651
TOTAL ALL EXPENSES:	346,495	27,742	284,719	61,776	82%	4,027
NET INCOME (LOSS):	(346,495)	(27,742)	(284,719)	(61,776)	82%	4,027

Washington State Bar Association

Statement of Activities

For the Period from July 1, 2022 to July 31, 2022

83% OF YEAR COMPLETE

	FISCAL 2022 REFORECAST	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF REFORECAST	YEAR TO DATE VARIANCE FAVORABLE/(UNFAVORABLE)
BAR NEWS						
REVENUE:						
ROYALTIES	2,500	-	3,867	(1,367)	155%	1,784
DISPLAY ADVERTISING	400,000	36,632	295,187	104,813	74%	(38,146)
SUBSCRIPT/SINGLE ISSUES	200	-	72	128	36%	(95)
CLASSIFIED ADVERTISING	2,500	1,612	2,446	55	98%	362
GEN ANNOUNCEMENTS	14,000	2,326	14,215	(215)	102%	2,549
PROF ANNOUNCEMENTS	22,500	3,042	21,360	1,140	95%	2,610
JOB TARGET ADVERTISING	180,000	34,580	218,479	(38,479)	121%	68,479
TOTAL REVENUE:	621,700	78,192	555,626	66,074	89%	37,543
DIRECT EXPENSES:						
POSTAGE	100,000	12,255	90,779	9,221	91%	(7,446)
PRINTING, COPYING & MAILING	260,000	27,673	186,358	73,643	72%	30,309
DIGITAL/ONLINE DEVELOPMENT	16,200	-	160	16,040	1%	13,340
GRAPHICS/ARTWORK	200	-	-	200	0%	167
OUTSIDE SALES EXPENSE	1,730	-	1,730	-	100%	(288)
STAFF CONFERENCE & TRAINING	350	1,132	1,132	(782)	323%	(841)
STAFF MEMBERSHIP DUES	135	-	-	135	0%	113
SUBSCRIPTIONS	185	-	90	95	49%	64
TOTAL DIRECT EXPENSES:	378,800	41,060	280,249	98,551	74%	35,418
INDIRECT EXPENSES:						
SALARY EXPENSE (2.26 FTE)	202,410	16,960	169,715	32,695	84%	(1,040)
BENEFITS EXPENSE	53,718	4,672	46,136	7,582	86%	(1,371)
OTHER INDIRECT EXPENSE	71,093	5,064	62,875	8,219	88%	(3,630)
TOTAL INDIRECT EXPENSES:	327,222	26,696	278,726	48,496	85%	(6,041)
TOTAL ALL EXPENSES:	706,022	67,756	558,975	147,047	79%	29,376
NET INCOME (LOSS):	(84,322)	10,436	(3,349)	(80,973)	4%	66,919

Washington State Bar Association

Statement of Activities

For the Period from July 1, 2022 to July 31, 2022

83% OF YEAR COMPLETE

	FISCAL 2022 REFORECAST	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF REFORECAST	YEAR TO DATE VARIANCE FAVORABLE/(UNFAVORABLE)
BOARD OF GOVERNOR						
REVENUE:						
TOTAL REVENUE:	-	-	-	-		-
DIRECT EXPENSES:						
BOG MEETINGS	146,665	29,450	112,946	33,719	77%	9,275
BOG COMMITTEES' EXPENSES	501	24	226	275	45%	192
BOG RETREAT	15,042	-	66	14,976	0%	12,469
BOG CONFERENCE ATTENDANCE	57,400	5,377	45,599	11,801	79%	2,234
BOG TRAVEL & OUTREACH	30,000	5,592	13,072	16,928	44%	11,928
LEADERSHIP TRAINING	26,000	-	21,072	4,928	81%	595
BOG ELECTIONS	26,000	-	15,900	10,100	61%	5,767
MEMBER OUTREACH/ETHOS MEETINGS	17,772	260	18,247	(475)	103%	(3,437)
PRESIDENT'S DINNER	10,000	-	-	10,000	0%	8,333
CONSULTING SERVICES	-	3,023	3,023	(3,023)		(3,023)
TOTAL DIRECT EXPENSES:	329,380	43,726	230,151	99,229	70%	44,333
INDIRECT EXPENSES:						
SALARY EXPENSE (1.40 FTE)	104,745	8,780	84,266	20,479	80%	3,022
BENEFITS EXPENSE	34,464	2,727	27,235	7,229	79%	1,485
OTHER INDIRECT EXPENSE	41,476	2,571	31,916	9,559	77%	2,647
TOTAL INDIRECT EXPENSES:	180,684	14,078	143,417	37,268	79%	7,154
TOTAL ALL EXPENSES:	510,064	57,804	373,567	136,497	73%	51,486
NET INCOME (LOSS):	(510,064)	(57,804)	(373,567)	(136,497)	73%	51,486

Washington State Bar Association

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83% OF YEAR COMPLETE

	FISCAL 2022 REFORECAST	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF REFORECAST	YEAR TO DATE VARIANCE FAVORABLE/(UNFAVORABLE)
CHARACTER & FITNESS BOARD						
REVENUE:						
TOTAL REVENUE:	-	-	-	-		-
DIRECT EXPENSES:						
CHARACTER & FITNESS BOARD EXP	10,000	-	123	9,877	1%	8,210
COURT REPORTERS	15,000	-	3,256	11,744	22%	9,244
TOTAL DIRECT EXPENSES:	25,000	-	3,379.42	21,621	14%	17,454
INDIRECT EXPENSES:						
SALARY EXPENSE (0.40 FTE)	26,274	3,055	8,064	18,210	31%	13,831
BENEFITS EXPENSE	8,456	186	2,343	6,113	28%	4,704
OTHER INDIRECT EXPENSE	8,990	103	1,277	7,714	14%	6,215
TOTAL INDIRECT EXPENSES:	43,720	3,343	11,683	32,037	27%	24,750
TOTAL ALL EXPENSES:	68,720	3,343	15,063	53,658	22%	42,204
NET INCOME (LOSS):	(68,720)	(3,343)	(15,063)	(53,658)	22%	42,204

Washington State Bar Association

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83% OF YEAR COMPLETE

	FISCAL 2022 REFORECAST	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF REFORECAST	YEAR TO DATE VARIANCE FAVORABLE/(UNFAVORABLE)
LAW CLERK PROGRAM						
REVENUE:						
LAW CLERK FEES	220,000	-	191,276	28,724	87%	7,942
LAW CLERK APPLICATION FEES	2,500	-	2,500	-	100%	417
TOTAL REVENUE:	222,500	-	193,776	28,724	87%	8,359
DIRECT EXPENSES:						
SUBSCRIPTIONS	250	-	-	250	0%	208
CHARACTER & FITNESS INVESTIGATIONS	100	-	-	100	0%	83
LAW CLERK BOARD EXPENSE	4,667	-	-	4,667	0%	3,889
LAW CLERK OUTREACH	667	-	-	667	0%	556
TOTAL DIRECT EXPENSES:	5,683	-	-	5,683	0%	4,736
INDIRECT EXPENSES:						
SALARY EXPENSE (0.98 FTE)	74,451	6,432	59,571	14,880	80%	2,472
BENEFITS EXPENSE	23,077	1,746	17,491	5,586	76%	1,740
OTHER INDIRECT EXPENSE	28,461	1,697	21,065	7,396	74%	2,653
TOTAL INDIRECT EXPENSES:	125,989	9,875	98,126	27,863	78%	6,865
TOTAL ALL EXPENSES:	131,672	9,875	98,126	33,546	75%	11,601
NET INCOME (LOSS):	90,828	(9,875)	95,650	(4,822)	105%	19,960

Washington State Bar Association

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For the Period from July 1, 2022 to July 31, 2022

83% OF YEAR COMPLETE

	FISCAL 2022 REFORECAST	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF REFORECAST	YEAR TO DATE VARIANCE FAVORABLE/(UNFAVORABLE)
CLE - PRODUCTS						
REVENUE:						
SHIPPING & HANDLING	81	36	171	(90)	211%	104
COURSEBOOK SALES	5,717	255	1,300	4,417	23%	(3,464)
MP3 AND VIDEO SALES	1,254,283	106,521	1,175,825	78,458	94%	130,589
TOTAL REVENUE:	1,260,081	106,812	1,177,296	82,785	93%	127,229
DIRECT EXPENSES:						
DEPRECIATION	1,312	109	1,094	218	83%	(1)
STAFF MEMBERSHIP DUES	197	-	-	197	0%	164
COST OF SALES - COURSEBOOKS	1,054	14	109	944	10%	769
A/V DEVELOP COSTS (RECORDING)	2,000	-	-	2,000	0%	1,667
ONLINE PRODUCT HOSTING EXPENSES	54,000	3,777	41,830	12,170	77%	3,170
POSTAGE & DELIVERY-COURSEBOOKS	58	22	133	(74)	228%	(84)
DISABILITY ACCOMMODATIONS	667	-	-	667	0%	556
STAFF CONFERENCE & TRAINING	200	-	-	200	0%	167
TOTAL DIRECT EXPENSES:	59,487	3,922	43,166	16,321	73%	6,407
INDIRECT EXPENSES:						
SALARY EXPENSE (1.30 FTE)	87,429	7,329	72,341	15,088	83%	516
BENEFITS EXPENSE	33,620	2,814	27,953	5,667	83%	64
OTHER INDIRECT EXPENSE	38,487	2,391	29,682	8,805	77%	2,391
TOTAL INDIRECT EXPENSES:	159,536	12,534	129,976	29,560	81%	2,970
TOTAL ALL EXPENSES:	219,023	16,456	173,142	45,881	79%	9,377
NET INCOME (LOSS):	1,041,058	90,357	1,004,154	36,904	96%	136,606

Washington State Bar Association

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For the Period from July 1, 2022 to July 31, 2022

83% OF YEAR COMPLETE

	FISCAL 2022 REFORECAST	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF REFORECAST	YEAR TO DATE VARIANCE FAVORABLE/(UNFAVORABLE)
CLE - SEMINARS						
REVENUE:						
SEMINAR REGISTRATIONS	790,000	59,662	537,599	252,401	68%	(120,735)
SEMINAR-EXHIB/SPNSR/ETC	5,000	5,000	6,000	(1,000)	120%	1,833
SEMINAR SPLITS W/ CLE	-	-	(27,224)	27,224		(27,224)
TOTAL REVENUE:	795,000	64,662	516,375	278,625	65%	(146,125)
DIRECT EXPENSES:						
STAFF TRAVEL/PARKING	10,096	400	2,665	7,431	26%	5,748
STAFF MEMBERSHIP DUES	274	-	1,145	(871)	418%	(917)
ACCREDITATION FEES	3,000	40	1,920	1,080	64%	580
FACILITIES	83,200	4,600	43,792	39,408	53%	25,542
SPEAKERS & PROGRAM DEVELOP	15,000	2,273	13,197	1,803	88%	(697)
SPLITS TO SECTIONS	115,000	-	-	115,000	0%	95,833
HONORARIA	1,500	-	3,000	(1,500)	200%	(1,750)
CLE SEMINAR COMMITTEE	150	-	-	150	0%	125
DISABILITY ACCOMODATIONS	667	-	-	667	0%	556
STAFF CONFERENCE & TRAINING	467	-	-	467	0%	389
TOTAL DIRECT EXPENSES:	229,354	7,313	65,719	163,634	29%	125,409
INDIRECT EXPENSES:						
SALARY EXPENSE (6.82 FTE)	468,362	40,647	405,844	62,518	87%	(15,543)
BENEFITS EXPENSE	169,854	14,939	147,764	22,090	87%	(6,219)
OTHER INDIRECT EXPENSE	196,388	12,493	155,112	41,276	79%	8,545
TOTAL INDIRECT EXPENSES:	834,604	68,079	708,720	125,884	85%	(13,217)
TOTAL ALL EXPENSES:	1,063,958	75,392	774,440	289,518	73%	112,192
NET INCOME (LOSS):	(268,958)	(10,730)	(258,065)	(10,893)	96%	(33,933)

Washington State Bar Association

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For the Period from July 1, 2022 to July 31, 2022

83% OF YEAR COMPLETE

	FISCAL 2022 REFORECAST	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF REFORECAST	YEAR TO DATE VARIANCE FAVORABLE/(UNFAVORABLE)
CONTINUING LEGAL EDUCATION (CLE)						
REVENUE:						
SEMINAR REGISTRATIONS	790,000	59,662	537,599	252,401	68%	(120,735)
SEMINAR-EXHIB/SPNSR/ETC	5,000	5,000	(21,224)	26,224	-424%	(25,391)
SHIPPING & HANDLING	81	36	171	(90)	211%	104
COURSEBOOK SALES	5,717	255	1,300	4,417	23%	(3,464)
MP3 AND VIDEO SALES	1,254,283	106,521	1,175,825	78,458	94%	130,589
TOTAL REVENUE:	2,055,081	171,474	1,693,671	361,410	82%	(146,125)
DIRECT EXPENSES:						
DEPRECIATION	1,312	109	1,094	218	83%	(1)
ONLINE EXPENSES	54,000	3,777	41,830	12,170	77%	3,170
ACCREDITATION FEES	3,000	40	1,920	1,080	64%	580
FACILITIES	83,200	4,600	43,792	39,408	53%	25,542
DISABILITY ACCOMMODATIONS	1,333	-	-	1,333	0%	1,111
SPEAKERS & PROGRAM DEVELOP	15,000	2,273	13,197	1,803	88%	(697)
SPLITS TO SECTIONS	115,000	-	-	115,000	0%	95,833
HONORARIA	1,500	-	3,000	(1,500)	200%	(1,750)
CLE SEMINAR COMMITTEE	150	-	-	150	0%	125
STAFF TRAVEL/PARKING	10,096	400	2,665	7,431	26%	5,748
STAFF CONFERENCE & TRAINING	467	-	-	467	0%	389
STAFF MEMBERSHIP DUES	471	-	1,145	(674)	243%	(752)
COST OF SALES - COURSEBOOKS	1,054	14	109	944	10%	769
A/V DEVELOP COSTS (RECORDING)	2,000	-	-	2,000	0%	1,667
POSTAGE & DELIVERY-COURSEBOOKS	58	22	133	(74)	228%	(84)
STAFF TRAVEL/PARKING	200	-	-	200	0%	167
TOTAL DIRECT EXPENSES:	288,841	11,235	108,885	179,956	38%	131,815
INDIRECT EXPENSES:						
SALARY EXPENSE (8.12 FTE)	555,791	47,976	478,186	77,605	86%	(15,027)
BENEFITS EXPENSE	203,474	17,753	175,717	27,757	86%	(6,155)
OTHER INDIRECT EXPENSE	234,875	14,884	184,794	50,081	79%	10,935
TOTAL INDIRECT EXPENSES:	994,140	80,613	838,697	155,444	84%	(10,246)
TOTAL ALL EXPENSES:	1,282,981	91,848	947,582	335,399	74%	121,569
NET INCOME (LOSS):	772,100	79,626	746,089	26,011	97%	102,673

Washington State Bar Association

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For the Period from July 1, 2022 to July 31, 2022

83% OF YEAR COMPLETE

	FISCAL 2022 REFORECAST	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF REFORECAST	YEAR TO DATE VARIANCE FAVORABLE/(UNFAVORABLE)
COMMUNICATION STRATEGIES FTE						
INDIRECT EXPENSES:						
SALARY EXPENSE (1.00 FTE)	155,294	13,160	128,559	26,735	83%	853
BENEFITS EXPENSE	40,656	3,405	33,123	7,533	81%	757
OTHER INDIRECT EXPENSE	29,575	1,825	22,661	6,915	77%	1986
TOTAL INDIRECT EXPENSES:	<u>225,526</u>	<u>18,390</u>	<u>184,342</u>	<u>41,184</u>	<u>82%</u>	<u>3,596</u>
NET INCOME (LOSS):	<u>(225,526)</u>	<u>(18,390)</u>	<u>(184,342)</u>	<u>(41,184)</u>	<u>82%</u>	<u>3,596</u>

Washington State Bar Association

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83% OF YEAR COMPLETE

	FISCAL 2022 REFORECAST	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF REFORECAST	YEAR TO DATE VARIANCE FAVORABLE/(UNFAVORABLE)
COMMUNICATION STRATEGIES						
REVENUE:						
SPONSORSHIPS	1,000	-	1,000	-	100%	167
WSBA LOGO MERCHANDISE SALES	113	1,041	2,069	(1,956)	1828%	1,975
TOTAL REVENUE:	1,113	1,041	3,069	(1,956)	276%	2,142
DIRECT EXPENSES:						
STAFF TRAVEL/PARKING	3,395	198	3,034	361	89%	(205)
STAFF MEMBERSHIP DUES	1,028	-	605	423	59%	252
SUBSCRIPTIONS	3,635	168	3,055	580	84%	(25)
DIGITAL/ONLINE DEVELOPMENT	409	-	331	79	81%	10
APEX DINNER	43,416	-	7,068	36,348	16%	29,112
50 YEAR MEMBER TRIBUTE LUNCH	23,007	-	10,507	12,500	46%	8,666
BAR OUTREACH	11,681	50	1,353	10,329	12%	8,382
COMMUNICATIONS OUTREACH	10,680	-	945	9,734	9%	7,954
STAFF CONFERENCE & TRAINING	-	-	131	(131)		(131)
TELEPHONE	1,056	47	661	395	63%	219
CONFERENCE CALLS	101	-	-	101	0%	84
TOTAL DIRECT EXPENSES:	98,408	463	27,690	70,718	28%	54,317
INDIRECT EXPENSES:						
SALARY EXPENSE (5.17 FTE)	356,472	30,797	292,675	63,797	82%	4,385
BENEFITS EXPENSE	115,908	10,470	103,265	12,643	89%	(6,675)
OTHER INDIRECT EXPENSE	153,013	9,460	117,451	35,562	77%	10,060
TOTAL INDIRECT EXPENSES:	625,393	50,727	513,391	112,002	82%	7,770
TOTAL ALL EXPENSES:	723,801	51,190	541,081	182,720	75%	62,087
NET INCOME (LOSS):	(722,688)	(50,149)	(538,012)	(184,676)	74%	64,228

Washington State Bar Association

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83% OF YEAR COMPLETE

	FISCAL 2022 REFORECAST	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF REFORECAST	YEAR TO DATE VARIANCE FAVORABLE/(UNFAVORABLE)
CLIENT PROTECTION FUND						
REVENUE:						
CPF RESTITUTION	30,000	323	7,719	22,281	26%	(17,281)
CPF MEMBER ASSESSMENTS	792,503	3,320	693,906	98,597	88%	33,487
INTEREST INCOME	5,816	5,240	15,542	(9,726)	267%	10,695
TOTAL REVENUE:	828,319	8,884	717,167	111,152	87%	26,901
DIRECT EXPENSES:						
BANK FEES - WELLS FARGO	2,067	195	1,767	300	85%	(44)
GIFTS TO INJURED CLIENTS	500,000	5,000	63,979	436,021	13%	352,688
CPF BOARD EXPENSES	1,500	-	97	1,403	6%	1,153
STAFF MEMBERSHIP DUES	200	-	-	200	0%	167
TOTAL DIRECT EXPENSES:	503,767	5,195	65,843	437,924	13%	353,963
INDIRECT EXPENSES:						
SALARY EXPENSE (1.23 FTE)	95,800	8,416	78,357	17,443	82%	1,476
BENEFITS EXPENSE	35,058	2,736	27,300	7,757	78%	1,915
OTHER INDIRECT EXPENSE	36,456	2,262	28,086	8,370	77%	2,294
TOTAL INDIRECT EXPENSES:	167,313	13,414	133,743	33,570	80%	5,685
TOTAL ALL EXPENSES:	671,081	18,609	199,586	471,495	30%	359,648
NET INCOME (LOSS):	157,238	(9,726)	517,581	(360,343)	329%	386,549

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83% OF YEAR COMPLETE

	FISCAL 2022 REFORECAST	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF REFORECAST	YEAR TO DATE VARIANCE FAVORABLE/(UNFAVORABLE)
DESKBOOKS						
REVENUE:						
DESKBOOK SALES	82,000	-	12,448	69,552	15%	(55,885)
LEXIS/NEXIS ROYALTIES	31,600	-	30,751	849	97%	4,417
SECTION PUBLICATION SALES	6,000	-	1,863	4,137	31%	(3,137)
CASEMAKER ROYALTIES	45,000	-	23,744	21,256	53%	(13,756)
TOTAL REVENUE:	164,600	-	68,806	95,794	42%	(68,361)
DIRECT EXPENSES:						
COST OF SALES - DESKBOOKS	64,000	-	6,414	57,586	10%	46,919
COST OF SALES - SECTION PUBLICATION	1,560	-	80	1,480	5%	1,220
SPLITS TO SECTIONS	500	-	221	279	44%	195
DESKBOOK ROYALTIES	200	158	283	(83)	142%	(117)
STAFF CONFRENCES & TRAINING	350	-	-	350	0%	292
ONLINE LEGAL RESEARCH	1,895	158	1,420	475	75%	159
STAFF MEMBERSHIP DUES	220	-	221	(1)	100%	(38)
TOTAL DIRECT EXPENSES:	68,725	316	8,639	60,086	13%	48,632
INDIRECT EXPENSES:						
SALARY EXPENSE (1.50 FTE)	126,964	10,557	105,547	21,417	83%	256
BENEFITS EXPENSE	40,014	3,289	32,727	7,287	82%	618
OTHER INDIRECT EXPENSE	44,421	2,751	34,150	10,271	77%	2,868
TOTAL INDIRECT EXPENSES:	211,400	16,596	172,424	38,976	82%	3,742
TOTAL ALL EXPENSES:	280,125	16,912	181,063	99,061	65%	52,374
NET INCOME (LOSS):	(115,525)	(16,912)	(112,258)	(3,267)	97%	(15,987)

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83% OF YEAR COMPLETE

	FISCAL 2022 REFORECAST	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF REFORECAST	YEAR TO DATE VARIANCE FAVORABLE/(UNFAVORABLE)
DISCIPLINE						
REVENUE:						
COPY FEES	36	-	36	-	100%	6
AUDIT REVENUE	1,000	64	850	150	85%	17
RECOVERY OF DISCIPLINE COSTS	100,000	1,600	76,043	23,957	76%	(7,290)
DISCIPLINE HISTORY SUMMARY	17,000	1,260	15,925	1,075	94%	1,758
PRACTICE MONITOR FEES	4,000	-	-	4,000	0%	(3,333)
TOTAL REVENUE:	122,036	2,923	92,855	29,182	76%	(8,842)
DIRECT EXPENSES:						
PUBLICATIONS PRODUCTION	181	-	-	181	0%	151
STAFF TRAVEL/PARKING	20,000	656	11,836	8,164	59%	4,831
STAFF MEMBERSHIP DUES	8,205	-	3,700	4,505	45%	3,138
TELEPHONE	2,359	315	2,089	270	89%	(123)
COURT REPORTERS	45,000	5,436	33,251	11,749	74%	4,249
OUTSIDE COUNSEL/AIC	1,500	-	-	1,500	0%	1,250
LITIGATION EXPENSES	25,000	1,796	10,956	14,044	44%	9,878
DISABILITY EXPENSES	9,000	-	3,500	5,500	39%	4,000
ONLINE LEGAL RESEARCH	55,201	4,590	41,300	13,901	75%	4,701
LAW LIBRARY	3,606	1,590	5,359	(1,753)	149%	(2,354)
TRANSLATION SERVICES	900	-	512	388	57%	238
STAFF CONFERENCE & TRAINING	38,972	4,245	10,412	28,560	27%	22,065
PRACTICE MONITOR EXPENSE	4,000	-	-	4,000	0%	3,333
TOTAL DIRECT EXPENSES:	213,924	18,626	122,914	91,010	57%	55,356
INDIRECT EXPENSES:						
SALARY EXPENSE (37.00 FTE)	3,565,319	287,660	2,932,950	632,369	82%	38,149
BENEFITS EXPENSE	1,078,046	89,473	878,881	199,165	82%	19,491
OTHER INDIRECT EXPENSE	1,022,297	67,324	835,875	186,423	82%	16,040
TOTAL INDIRECT EXPENSES:	5,665,662	444,457	4,647,705	1,017,957	82%	73,680
TOTAL ALL EXPENSES:	5,879,586	463,083	4,770,619	1,108,967	81%	129,036
NET INCOME (LOSS):	(5,757,549)	(460,160)	(4,677,764)	(1,079,785)	81%	120,193

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83% OF YEAR COMPLETE

	FISCAL 2022 REFORECAST	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF REFORECAST	YEAR TO DATE VARIANCE FAVORABLE/(UNFAVORABLE)
DIVERSITY						
REVENUE:						
DONATIONS	135,000	-	135,000	-	100%	22,500
TOTAL REVENUE:	135,000	-	135,000	-	100%	22,500
DIRECT EXPENSES:						
STAFF TRAVEL/PARKING	4,000	-	541	3,459	14%	2,793
STAFF MEMBERSHIP DUES	45	-	45	-	100%	(8)
COMMITTEE FOR DIVERSITY	6,000	-	518	5,482	9%	4,482
DIVERSITY EVENTS & PROJECTS	18,000	1,894	7,778	10,222	43%	7,222
SURVEYS	50,100	5,000	5,000	45,100	10%	36,750
STAFF CONFERENCE & TRAINING	5,400	-	1,663	3,737	31%	2,837
CONSULTING SERVICES	71,175	-	12,123	59,052	17%	47,190
TOTAL DIRECT EXPENSE:	154,720	6,894	27,667	127,052	18%	101,266
INDIRECT EXPENSES:						
SALARY EXPENSE (2.40 FTE)	158,781	14,069	140,013	18,769	88%	(7,695)
BENEFITS EXPENSE	51,456	4,292	42,578	8,878	83%	302
OTHER INDIRECT EXPENSE	67,463	4,396	54,576	12,887	81%	1,643
TOTAL INDIRECT EXPENSES:	277,700	22,757	237,167	40,533	85%	(5,750)
TOTAL ALL EXPENSES:	432,420	29,651	264,834	167,586	61%	95,516
NET INCOME (LOSS):	(297,420)	(29,651)	(129,834)	(167,586)	44%	118,016

Washington State Bar Association

Statement of Activities

For the Period from July 1, 2022 to July 31, 2022

83% OF YEAR COMPLETE

	FISCAL 2022 REFORECAST	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF REFORECAST	YEAR TO DATE VARIANCE FAVORABLE/(UNFAVORABLE)
EJD FTE						
INDIRECT EXPENSES:						
SALARY EXPENSE (1.01 FTE)	142,862	11,870	118,988	23,873	83%	63
BENEFITS EXPENSE	38,733	3,250	32,674	6,059	84%	(396)
OTHER INDIRECT EXPENSE	9,988	1,851	22,980	(12,992)	230%	(14,656)
TOTAL INDIRECT EXPENSES:	191,583	16,971	174,642	16,941	91%	(14,989)
NET INCOME (LOSS):	(191,583)	(16,971)	(174,642)	(16,941)	91%	(14,989)

Washington State Bar Association

Statement of Activities

For the Period from July 1, 2022 to July 31, 2022

83% OF YEAR COMPLETE

	FISCAL 2022 REFORECAST	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF REFORECAST	YEAR TO DATE VARIANCE FAVORABLE/(UNFAVORABLE)
FOUNDATION						
REVENUE:						
TOTAL REVENUE:	-	-	-	-		-
DIRECT EXPENSES:						
CONSULTING SERVICES	3,000	-	-	3,000	0%	2,500
PRINTING & COPYING	450	-	-	450	0%	375
STAFF TRAVEL/PARKING	600	-	337	263	56%	163
SUPPLIES	150	-	75	75	50%	50
BOARD OF TRUSTEES	1,590	-	590	1,000	37%	735
POSTAGE	300	-	-	300	0%	250
TOTAL DIRECT EXPENSES:	6,090	-	1,002	5,088	16%	4,073
INDIRECT EXPENSES:						
SALARY EXPENSE (1.00 FTE)	81,654	7,115	66,984	14,669	82%	1,060
BENEFITS EXPENSE	15,111	1,304	12,875	2,236	85%	(282)
OTHER INDIRECT EXPENSE	29,576	1,825	22,660	6,915	77%	1,986
TOTAL INDIRECT EXPENSES:	126,340	10,244	102,520	23,821	81%	2,764
TOTAL ALL EXPENSES:	132,430	10,244	103,521	28,909	78%	6,837
NET INCOME (LOSS):	(132,430)	(10,244)	(103,521)	(28,909)	78%	6,837

Washington State Bar Association

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For the Period from July 1, 2022 to July 31, 2022

83% OF YEAR COMPLETE

	FISCAL 2022 REFORECAST	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF REFORECAST	YEAR TO DATE VARIANCE FAVORABLE/(UNFAVORABLE)
HUMAN RESOURCES						
REVENUE:						
TOTAL REVENUE:	-	-	-	-		-
DIRECT EXPENSES:						
STAFF TRAVEL/PARKING	1,000	198	617	383	62%	216
STAFF MEMBERSHIP DUES	1,000	-	219	781	22%	614
SUBSCRIPTIONS	2,500	-	-	2,500	0%	2,083
STAFF TRAINING- GENERAL	20,000	135	3,527	16,474	18%	13,140
RECRUITING AND ADVERTISING	5,000	3,907	5,568	(568)	111%	(1,402)
PAYROLL PROCESSING	52,538	6,930	41,069	11,469	78%	2,713
SALARY SURVEYS	2,000	-	-	2,000	0%	1,667
CONSULTING SERVICES	15,000	-	14,285	715	95%	(1,785)
CONFERENCE CALLS	20	-	-	20	0%	17
TRANSFER TO INDIRECT EXPENSE	(99,058)	(11,170)	(65,285)	(33,773)	66%	(17,263)
TOTAL DIRECT EXPENSES:	-	-	-	-		-
INDIRECT EXPENSES:						
SALARY EXPENSE (3.00 FTE)	276,969	24,484	229,855	47,114	83%	952
BENEFITS EXPENSE	98,910	8,383	83,621	15,289	85%	(1,196)
OTHER INDIRECT EXPENSE	84,067	5,501	68,300	15,766	81%	1,755
TOTAL INDIRECT EXPENSES:	459,945	38,368	381,776	78,169	83%	1,512
TOTAL ALL EXPENSES:	459,945	38,368	381,776	78,169	83%	1,512
NET INCOME (LOSS):	(459,945)	(38,368)	(381,776)	(78,169)	83%	1,512

Washington State Bar Association

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For the Period from July 1, 2022 to July 31, 2022

83% OF YEAR COMPLETE

	FISCAL 2022 REFORECAST	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF REFORECAST	YEAR TO DATE VARIANCE FAVORABLE/(UNFAVORABLE)
LEGISLATIVE						
REVENUE:						
TOTAL REVENUE:	-	-	-	-		-
DIRECT EXPENSES:						
STAFF TRAVEL/PARKING	3,133	-	188	2,946	6%	2,424
STAFF MEMBERSHIP DUES	450	-	-	450	0%	375
JUD RECOMMEND COMMITTEE	4,500	-	-	4,500	0%	3,750
SUBSCRIPTIONS	2,000	-	1,985	16	99%	(318)
CONTRACT LOBBYIST	10,000	-	10,000	-	100%	(1,667)
LEGISLATIVE COMMITTEE	2,500	-	9	2,491	0%	2,074
BOG LEGISLATIVE COMMITTEE	300	-	-	300	0%	250
STAFF CONFERENCE & TRAINING	2,000	-	-	2,000	0%	1,667
TOTAL DIRECT EXPENSES:	24,883	-	12,181	12,702	49%	8,555
INDIRECT EXPENSES:						
SALARY EXPENSE (1.70 FTE)	133,430	11,672	99,535	33,895	75%	11,657
BENEFITS EXPENSE	44,484	4,290	42,229	2,255	95%	(5,159)
OTHER INDIRECT EXPENSE	50,313	3,110	38,618	11,695	77%	3,309
TOTAL INDIRECT EXPENSES:	228,227	19,073	180,382	47,845	79%	9,807
TOTAL ALL EXPENSES:	253,110	19,073	192,564	60,547	76%	18,361
NET INCOME (LOSS):	(253,110)	(19,073)	(192,564)	(60,547)	76%	18,361

Washington State Bar Association

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For the Period from July 1, 2022 to July 31, 2022

83% OF YEAR COMPLETE

	FISCAL 2022 REFORECAST	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF REFORECAST	YEAR TO DATE VARIANCE FAVORABLE/(UNFAVORABLE)
LICENSING & MEMBERSHIP RECORDS						
REVENUE:						
STATUS CERTIFICATE FEES	24,061	2,200	24,648	(587)	102%	4,597
INVESTIGATION FEES	21,759	2,000	19,100	2,659	88%	967
PRO HAC VICE	362,311	30,228	334,330	27,981	92%	32,404
MEMBER CONTACT INFORMATION	3,125	292	2,934	191	94%	330
PHOTO BAR CARD SALES	247	24	144	103	58%	(62)
TOTAL REVENUE:	411,503	34,744	381,157	30,346	93%	38,238
DIRECT EXPENSES:						
DEPRECIATION	0	-	-	0	0%	0
POSTAGE	22,641	-	24,352	(1,711)	108%	(5,484)
LICENSING FORMS	1,977	(1,062)	915	1,062	46%	733
TOTAL DIRECT EXPENSES:	24,619	(1,062)	25,267	(648)	103%	(4,751)
INDIRECT EXPENSES:						
SALARY EXPENSE (3.83 FTE)	367,234	30,089	304,750	62,484	83%	1,279
BENEFITS EXPENSE	118,907	9,543	95,611	23,296	80%	3,479
OTHER INDIRECT EXPENSE	113,292	7,018	87,131	26,161	77%	7,279
TOTAL INDIRECT EXPENSES:	599,433	46,650	487,491	111,942	81%	12,036
TOTAL ALL EXPENSES:	624,052	45,587	512,758	111,294	82%	7,285
NET INCOME (LOSS):	(212,549)	(10,843)	(131,601)	(80,947)	62%	45,523

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For the Period from July 1, 2022 to July 31, 2022

83% OF YEAR COMPLETE

	FISCAL 2022 REFORECAST	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF REFORECAST	YEAR TO DATE VARIANCE FAVORABLE/(UNFAVORABLE)
LEGAL LUNCHBOX						
REVENUE:						
SPONSORSHIPS	9,000	-	9,000	-	100%	1,500
MP3 SALES	8,000	-	7,056	944	88%	389
DIGITAL VIDEO SALES	25,000	1,813	27,979	(2,979)	112%	7,146
TOTAL REVENUE:	42,000	1,813	44,035	(2,035)	105%	9,035
DIRECT EXPENSES:						
SPEAKERS & DEVELOPMENT	100	-	-	100	0%	83
TOTAL DIRECT EXPENSES:	100	-	-	100	0%	83
INDIRECT EXPENSES:						
SALARY EXPENSE (0.43 FTE)	26,359	1,808	18,677	7,682	71%	3,289
BENEFITS EXPENSE	9,207	835	8,231	976	89%	(559)
OTHER INDIRECT EXPENSE	12,571	772	9,582	2,988	76%	893
TOTAL INDIRECT EXPENSES:	48,136	3,415	36,491	11,646	76%	3,623
TOTAL ALL EXPENSES:	48,236	3,415	36,491	11,746	76%	3,706
NET INCOME (LOSS):	(6,236)	(1,602)	7,545	(13,781)	-121%	12,741

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83% OF YEAR COMPLETE

	FISCAL 2022 REFORECAST	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF REFORECAST	YEAR TO DATE VARIANCE FAVORABLE/(UNFAVORABLE)
LIMITED LICENSE LEGAL TECHNICIAN PROGRAM						
REVENUE:						
LLLT LICENSE FEES	12,634	1,240	11,516	1,118	91%	987
LLLT LATE LICENSE FEES	1,000	-	99	901	10%	(735)
LLLT EXAM FEES	3,850	-	5,400	(1,550)	140%	2,192
TOTAL REVENUE:	17,484	1,240	17,014	470	97%	2,444
DIRECT EXPENSES:						
LLLT BOARD	15,449	157	4,739	10,710	31%	8,135
LLLT EXAM WRITING	4,500	4,500	9,000	(4,500)	200%	(5,250)
TOTAL DIRECT EXPENSES:	19,949	4,657	13,739	6,210	69%	2,885
INDIRECT EXPENSES:						
SALARY EXPENSE (0.48 FTE)	38,082	3,558	36,917	1,164	97%	(5,183)
BENEFITS EXPENSE	13,219	1,152	11,427	1,791	86%	(412)
OTHER INDIRECT EXPENSE	12,286	874	10,851	1,435	88%	(613)
TOTAL INDIRECT EXPENSES:	63,587	5,585	59,196	4,391	93%	(6,207)
TOTAL ALL EXPENSES:	83,536	10,241	72,935	10,601	87%	(3,322)
NET INCOME (LOSS):	(66,052)	(9,001)	(55,921)	10,601	85%	(878)

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For the Period from July 1, 2022 to July 31, 2022

83% OF YEAR COMPLETE

	FISCAL 2022 REFORECAST	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF REFORECAST	YEAR TO DATE VARIANCE FAVORABLE/(UNFAVORABLE)
LIMITED PRACTICE OFFICERS						
REVENUE:						
INVESTIGATION FEES	400	-	300	100	75%	(33)
MEMBER LATE FEES	1,200	-	8,700	(7,500)	725%	7,700
LPO EXAMINATION FEES	33,850	(900)	31,150	2,700	92%	2,942
LPO LICENSE FEES	172,579	13,785	141,763	30,816	82%	(2,053)
LPO LATE LICENSE FEES	5,100	-	2,820	2,280	55%	(1,430)
LPO LICENSE FEES - REINSTATES	667	-	230	437	34%	(326)
TOTAL REVENUE:	213,795	12,885	184,963	28,833	87%	6,800
DIRECT EXPENSES:						
FACILITY, PARKING, FOOD	9,000	-	-	9,000	0%	7,500
EXAM WRITING	8,400	-	3,463	4,938	41%	3,538
ONLINE LEGAL RESEARCH	2,156	158	1,420	736	66%	377
LAW LIBRARY	4,701	282	2,804	1,897	60%	1,113
LPO BOARD	2,000	-	-	2,000	0%	1,667
LPO OUTREACH	3,333	-	-	3,333	0%	2,778
PRINTING & COPYING	100	-	123	(23)	123%	(40)
SUPPLIES	-	-	72	(72)		(72)
TOTAL DIRECT EXPENSES:	29,690	440	7,882	21,809	27%	16,860
INDIRECT EXPENSES:						
SALARY EXPENSE (0.68 FTE)	49,492	4,544	50,323	(830)	102%	(9,079)
BENEFITS EXPENSE	17,559	1,607	15,843	1,716	90%	(1,211)
OTHER INDIRECT EXPENSE	17,747	1,337	16,596	1,151	94%	(1,807)
TOTAL INDIRECT EXPENSES:	84,798	7,487	82,763	2,036	98%	(12,097)
TOTAL ALL EXPENSES:	114,489	7,927	90,644	23,844	79%	4,763
NET INCOME (LOSS):	99,307	4,957	94,318	4,988	95%	11,563

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83% OF YEAR COMPLETE

	FISCAL 2022 REFORECAST	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF REFORECAST	YEAR TO DATE VARIANCE FAVORABLE/(UNFAVORABLE)
MANDATORY CONTINUING LEGAL EDUCATION						
REVENUE:						
ACCREDITED PROGRAM FEES	566,556	45,400	513,100	53,456	91%	40,970
FORM 1 LATE FEES	220,000	15,600	195,050	24,950	89%	11,717
MEMBER LATE FEES	400,000	150	421,750	(21,750)	105%	88,417
ANNUAL ACCREDITED SPONSOR FEES	39,250	-	34,500	4,750	88%	1,792
ATTENDANCE LATE FEES	115,000	7,550	101,300	13,700	88%	5,467
COMITY CERTIFICATES	42,000	375	45,700	(3,700)	109%	10,700
TOTAL REVENUE:	1,382,807	69,075	1,311,400	71,406	95%	159,061
DIRECT EXPENSES:						
DEPRECIATION	22,747	1,681	21,095	1,651	93%	(2,140)
STAFF MEMBERSHIP DUES	500	-	500	-	100%	(83)
ONLINE LEGAL RESEARCH	2,114	158	1,420	694	67%	342
LAW LIBRARY	182	12	115	67	63%	37
MCLE BOARD	1,300	-	-	1,300	0%	1,083
STAFF TRAVEL/PARKING	50	-	-	50	0%	42
STAFF CONFERENCE & TRAINING	6,550	100	100	6,450	2%	5,358
TOTAL DIRECT EXPENSES:	33,442	1,951	23,230	10,212	69%	4,638
INDIRECT EXPENSES:						
SALARY EXPENSE (4.88 FTE)	391,608	21,320	352,145	39,463	90%	(25,805)
BENEFITS EXPENSE	118,897	9,518	94,759	24,138	80%	4,322
OTHER INDIRECT EXPENSE	144,282	8,921	110,757	33,526	77%	9,479
TOTAL INDIRECT EXPENSES:	654,787	39,758	557,661	97,127	85%	(12,005)
TOTAL ALL EXPENSES:	688,230	41,709	580,891	107,338	84%	(7,366)
NET INCOME (LOSS):	694,577	27,366	730,509	(35,932)	105%	151,695

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83% OF YEAR COMPLETE

	FISCAL 2022 REFORECAST	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF REFORECAST	YEAR TO DATE VARIANCE FAVORABLE/(UNFAVORABLE)
MINI CLE						
INDIRECT EXPENSES:	59,743	4,106	42,228	17,516	71%	49,766
SALARY EXPENSE (0.91 FTE)	20,010	1,820	17,930	2,079	90%	(1,256)
BENEFITS EXPENSE	26,959	1,671	20,745	6,214	77%	1,720
OTHER INDIRECT EXPENSE						
TOTAL INDIRECT EXPENSES:	106,712	7,597	80,903	25,808	76%	50,231
NET INCOME (LOSS):	(106,712)	(7,597)	(80,903)	(25,808)	76%	8,023

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83% OF YEAR COMPLETE

	FISCAL 2022 REFORECAST	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF REFORECAST	YEAR TO DATE VARIANCE FAVORABLE/(UNFAVORABLE)
MEMBER SERVICES & ENGAGEMENT						
REVENUE:						
ROYALTIES	20,000	1,240	56,976	(36,976)	285%	40,310
TOTAL REVENUE:	20,000	1,240	56,976	(36,976)	285%	40,310
DIRECT EXPENSES:						
STAFF TRAVEL/PARKING	1,000	-	206	794	21%	628
STAFF CONFERENCE & TRAINING	400	-	-	400	0%	333
SMALL TOWN AND RURAL COMMITTEE	2,000	-	-	2,000	0%	1,667
YLL SECTION PROGRAM	1,500	-	-	1,500	0%	1,250
WYLC CLE COMPS	-	159	159	(159)		(159)
WYLC OUTREACH EVENTS	1,500	232	891	609	59%	359
WYL COMMITTEE	7,500	-	39	7,461	1%	6,211
RECEPTION/FORUM EXPENSE	1,500	-	18	1,482	1%	1,232
WYLC SCHOLARSHIPS/DONATIONS/GRANT	5,000	-	-	5,000	0%	4,167
STAFF MEMBERSHIP DUES	850	-	649	201	76%	59
LENDING LIBRARY	2,000	19	1,339	661	67%	327
TOTAL DIRECT EXPENSES:	23,250	410	3,301	19,949	14%	16,074
INDIRECT EXPENSES:						
SALARY EXPENSE (3.46 FTE)	235,010	19,307	194,394	40,616	83%	1,448
BENEFITS EXPENSE	79,024	6,169	61,576	17,448	78%	4,277
OTHER INDIRECT EXPENSE	102,285	6,324	78,514	23,772	77%	6,724
TOTAL INDIRECT EXPENSES:	416,320	31,799	334,484	81,836	80%	12,449
TOTAL ALL EXPENSES:	439,570	32,209	337,784	101,785	77%	28,524
NET INCOME (LOSS):	(419,570)	(30,969)	(280,808)	(138,762)	67%	68,833

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83% OF YEAR COMPLETE

	FISCAL 2022 REFORECAST	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF REFORECAST	YEAR TO DATE VARIANCE FAVORABLE/(UNFAVORABLE)
MEMBER SERVICES & ENGAGEMENT (COMBINED)						
REVENUE:						
ROYALTIES	20,000	1,240	56,976	(36,976)	285%	40,310
NMP PRODUCT SALES	60,000	600	38,296	21,704	64%	(11,704)
MP3 SALES	8,000	-	7,056	944	88%	389
DIGITAL VIDEO SALES	25,000	1,813	27,979	(2,979)	112%	7,146
SPONSORSHIPS	9,000	-	9,000	-	100%	1,500
SEMINAR REGISTRATIONS	16,500	-	-	16,500	0%	(13,750)
TRIAL ADVOCACY PROGRAM	15,000	-	-	15,000	0%	(12,500)
TOTAL REVENUE:	153,500	3,653	139,307	14,193	91%	11,391
DIRECT EXPENSES:						
STAFF TRAVEL/PARKING	1,000	-	206	794	21%	628
STAFF CONFERENCE & TRAINING	400	-	-	400	0%	333
SMALL TOWN AND RURAL COMMITTEE	2,000	-	-	2,000	0%	1,667
YLL SECTION PROGRAM	1,500	-	-	1,500	0%	1,250
WYLC CLE COMPS	-	159	159	(159)		(159)
WYLC OUTREACH EVENTS	1,500	232	891	609	59%	359
SPEAKERS & PROGRAM DEVELOP	100	-	-	100	0%	83
WYL COMMITTEE	7,500	-	39	7,461	1%	6,211
TRIAL ADVOCACY EXPENSES	1,500	-	-	1,500	0%	1,250
RECEPTION/FORUM EXPENSE	1,500	-	18	1,482	1%	1,232
WYLC SCHOLARSHIPS/DONATIONS/GRANT	5,000	-	-	5,000	0%	4,167
STAFF MEMBERSHIP DUES	850	-	649	201	76%	59
LENDING LIBRARY	2,000	19	1,339	661	67%	327
NMP SPEAKERS & PROGRAM DEVELOPMENT	500	-	-	500	0%	417
TOTAL DIRECT EXPENSES:	25,350	410	3,301	22,049	13%	17,824
INDIRECT EXPENSES:						
SALARY EXPENSE (5.57 FTE)	371,951	28,919	292,804	79,146	79%	17,154
BENEFITS EXPENSE	124,317	10,325	102,482	21,835	82%	1,116
OTHER INDIRECT EXPENSE	164,956	10,206	126,715	38,242	77%	10,749
TOTAL INDIRECT EXPENSES:	661,224	49,450	522,001	139,223	79%	29,019
TOTAL ALL EXPENSES:	686,574	49,860	525,301	161,272	77%	46,843
NET INCOME (LOSS):	(533,074)	(46,207)	(385,994)	(147,080)	72%	58,234

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83% OF YEAR COMPLETE

	FISCAL 2022 REFORECAST	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF REFORECAST	YEAR TO DATE VARIANCE FAVORABLE/(UNFAVORABLE)
MEMBER WELLNESS PROGRAM						
REVENUE:						
DIVERSIONS	7,292	750	7,500	(208)	103%	1,424
TOTAL REVENUE:	7,292	750	7,500	(208)	103%	1,424
DIRECT EXPENSES:						
STAFF MEMBERSHIP DUES	333	-	226	107	68%	52
PROF LIAB INSURANCE	4,467	-	825	3,642	18%	2,897
WSBA CONNECTS	8,777	-	8,110	667	92%	(796)
MEMBER WELLNESS COUNCIL	500	-	-	500	0%	417
STAFF CONFERENCE & TRAINING	165	-	165	-	100%	(28)
SUBSCRIPTIONS	300	100	900	(600)	300%	(650)
TOTAL DIRECT EXPENSES:	14,542	100	10,226	4,316	70%	1,892
INDIRECT EXPENSES:						
SALARY EXPENSE (1.48 FTE)	109,506	4,627	72,320	37,186	66%	18,935
BENEFITS EXPENSE	47,287	4,160	41,325	5,962	87%	(1,919)
OTHER INDIRECT EXPENSE	37,399	2,699	33,512	3,887	90%	(2,346)
TOTAL INDIRECT EXPENSES:	194,191	11,487	147,156	47,035	76%	14,670
TOTAL ALL EXPENSES:	208,733	11,587	157,382	51,351	75%	16,562
NET INCOME (LOSS):	(201,441)	(10,837)	(149,882)	(51,559)	74%	17,985

Washington State Bar Association

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For the Period from July 1, 2022 to July 31, 2022

83% OF YEAR COMPLETE

	FISCAL 2022 REFORECAST	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF REFORECAST	YEAR TO DATE VARIANCE FAVORABLE/(UNFAVORABLE)
NEW MEMBER EDUCATION						
REVENUE:						
NMP PRODUCT SALES	60,000	600	38,296	21,704	64%	(11,704)
SEMINAR REGISTRATIONS	16,500	-	-	16,500	0%	(13,750)
TRIAL ADVOCACY PROGRAM	15,000	-	-	15,000	0%	(12,500)
TOTAL REVENUE:	91,500	600	38,296	53,204	42%	(37,954)
DIRECT EXPENSES:						
TRIAL ADVOCACY EXPENSES	1,500	-	-	1,500	0%	1,250
SPEAKERS & PROGRAM DEVELOPMENT	500	-	-	500	0%	417
TOTAL DIRECT EXPENSES:	2,000	-	-	2,000	0%	1,667
INDIRECT EXPENSES:						
SALARY EXPENSE (0.78 FTE)	50,838	3,698	37,506	13,332	74%	4,859
BENEFITS EXPENSE	16,076	1,501	14,744	1,332	92%	(1,347)
OTHER INDIRECT EXPENSE	23,141	1,440	17,873	5,268	77%	1,411
TOTAL INDIRECT EXPENSES:	90,056	6,639	70,123	19,933	78%	4,923
TOTAL ALL EXPENSES:	92,056	6,639	70,123	21,933	76%	6,590
NET INCOME (LOSS):	(556)	(6,039)	(31,827)	31,271	5725%	(31,364)

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83% OF YEAR COMPLETE

	FISCAL 2022 REFORECAST	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF REFORECAST	YEAR TO DATE VARIANCE FAVORABLE/(UNFAVORABLE)
OFFICE OF THE EXECUTIVE DIRECTOR						
REVENUE:						
TOTAL REVENUE:	-	-	-	-		-
DIRECT EXPENSES:						
LEADERSHIP TRAINING	20,000	-	-	20,000	0%	16,667
WASHINGTON LEADERSHIP INSTITUTE	44,764	-	44,764	-	100%	(7,461)
ED TRAVEL & OUTREACH	5,601	53	999	4,603	18%	3,669
LAW LIBRARY	46	12	115	(69)	252%	(77)
STAFF TRAVEL/PARKING	1,351	38	536	815	40%	590
STAFF CONFERENCE & TRAINING	4,383	550	1,047	3,337	24%	2,606
STAFF MEMBERSHIP DUES	786	-	1,346	(560)	171%	(691)
SURVEY	-	-	331	(331)		(331)
TOTAL DIRECT EXPENSES:	76,932	652	49,138	27,794	64%	14,972
INDIRECT EXPENSES:						
SALARY EXPENSE (2.00 FTE)	366,662	19,553	275,373	91,289	75%	30,179
BENEFITS EXPENSE	93,186	7,751	73,590	19,595	79%	4,064
OTHER INDIRECT EXPENSE	59,267	3,675	45,632	13,635	77%	3,757
TOTAL INDIRECT EXPENSES:	519,115	30,980	394,595	124,519	76%	38,000
TOTAL ALL EXPENSES:	596,047	31,633	443,733	152,314	74%	52,972
NET INCOME (LOSS):	(596,047)	(31,633)	(443,733)	152,314	74%	52,972

Washington State Bar Association

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83% OF YEAR COMPLETE

	FISCAL 2022 REFORECAST	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF REFORECAST	YEAR TO DATE VARIANCE FAVORABLE/(UNFAVORABLE)
OFFICE OF GENERAL COUNSEL						
REVENUE:						
RECORDS REQUEST FEES	3	150	1,126	(1,123)	35738%	1,123
TOTAL REVENUE:	3	150	1,126	(1,123)	35738%	1,123
DIRECT EXPENSES:						
STAFF TRAVEL/PARKING	741	-	262	479	35%	356
STAFF MEMBERSHIP DUES	254	-	254	-	100%	(42)
ONLINE LEGAL RESEARCH	10,400	950	8,518	1,882	82%	149
LAW LIBRARY	2,731	23	1,832	899	67%	444
COURT RULES COMMITTEE	100	-	0	100	0%	83
CUSTODIANSHIPS	8,150	5	156	7,994	2%	6,636
LITIGATION EXPENSES	200	-	2	198	1%	164
STAFF CONFERENCE & TRAINING	5,495	-	95	5,400	2%	4,484
TOTAL DIRECT EXPENSES:	28,071	977	11,120	16,952	40%	12,273
INDIRECT EXPENSES:						
SALARY EXPENSE (5.77 FTE)	601,897	49,739	510,666	91,231	85%	(9,085)
BENEFITS EXPENSE	175,968	15,131	148,493	27,476	84%	(1,852)
OTHER INDIRECT EXPENSE	173,376	11,157	138,516	34,860	80%	5,964
TOTAL INDIRECT EXPENSES:	951,241	76,027	797,675	153,566	84%	(4,974)
TOTAL ALL EXPENSES:	979,313	77,004	808,795	170,518	83%	7,299
NET INCOME (LOSS):	(979,310)	(76,854)	(807,669)	(171,641)	82%	8,423

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83% OF YEAR COMPLETE

	FISCAL 2022 REFORECAST	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF REFORECAST	YEAR TO DATE VARIANCE FAVORABLE/(UNFAVORABLE)
PRACTICE OF LAW BOARD						
REVENUE:						
TOTAL REVENUE:	-	-	-	-		-
DIRECT EXPENSES:						
PRACTICE OF LAW BOARD	12,000	-	-	12,000	0%	10,000
TOTAL DIRECT EXPENSES:	12,000	-	-	12,000	0%	10,000
INDIRECT EXPENSES:						
SALARY EXPENSE (0.40 FTE)	43,409	3,557	38,221	5,188	88%	(2,047)
BENEFITS EXPENSE	11,371	1,043	9,855	1,516	87%	(379)
OTHER INDIRECT EXPENSE	12,482	874	10,851	1,631	87%	(450)
TOTAL INDIRECT EXPENSES:	67,261	5,474	58,928	8,334	88%	(2,876)
TOTAL ALL EXPENSES:	79,261	5,474	58,928	20,334	74%	7,124
NET INCOME (LOSS):	(79,261)	(5,474)	(58,928)	(20,334)	74%	7,124

Washington State Bar Association

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83% OF YEAR COMPLETE

	FISCAL 2022 REFORECAST	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF REFORECAST	YEAR TO DATE VARIANCE FAVORABLE/(UNFAVORABLE)
OFFICE OF GENERAL COUNSEL - DISCIPLINARY BOARD						
REVENUE:						
TOTAL REVENUE:	-	-	-	-		-
DIRECT EXPENSE:						
STAFF MEMBERSHIP DUES	100	-	-	100	0%	83
LAW LIBRARY	912	70	696	216	76%	64
DISCIPLINARY BOARD EXPENSES	4,118	-	1	4,117	0%	3,431
CHIEF HEARING OFFICER	33,000	2,500	25,000	8,000	76%	2,500
COURT REPORTERS	-	572	572	(572)		(572)
HEARING OFFICER EXPENSES	33,814	-	1,203	32,611	4%	26,975
HEARING OFFICER TRAINING	647	-	-	647	0%	539
OUTSIDE COUNSEL	55,000	4,000	40,000	15,000	73%	5,833
STAFF CONFERENCE & TRAINING	1,000	-	-	1,000	0%	833
TOTAL DIRECT EXPENSES:	128,591	7,142	67,472	61,119	52%	39,687
INDIRECT EXPENSES:						
SALARY EXPENSE (1.30 FTE)	108,311	10,024	89,536	18,774	83%	723
BENEFITS EXPENSE	33,105	2,566	25,534	7,570	77%	2,053
OTHER INDIRECT EXPENSE	38,530	2,391	29,682	8,848	77%	2,426
TOTAL INDIRECT EXPENSES:	179,945	14,981	144,753	35,192	80%	5,202
TOTAL ALL EXPENSES:	308,536	22,122	212,224	96,311	69%	44,889
NET INCOME (LOSS):	(308,536)	(22,122)	(212,224)	(96,311)	69%	44,889

Washington State Bar Association

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83% OF YEAR COMPLETE

	FISCAL 2022 REFORECAST	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF REFORECAST	YEAR TO DATE VARIANCE FAVORABLE/(UNFAVORABLE)
PRACTICE MANAGEMENT ASSISTANCE						
REVENUE:						
ROYALTIES	40,226	-	226	40,000	1%	(33,296)
TOTAL REVENUE:	40,226	-	226	40,000	1%	(33,296)
DIRECT EXPENSE:						
STAFF MEMBERSHIP DUES	167	-	-	167	0%	139
SUBSCRIPTIONS	233	-	132	101	57%	62
CASEMAKER/FASTCASE	80,000	-	72,356	7,645	90%	(5,689)
TOTAL DIRECT EXPENSES:	80,400	-	72,488	7,912	90%	(5,488)
INDIRECT EXPENSES:						
TOTAL INDIRECT EXPENSES:	-	-	-	-		-
TOTAL ALL EXPENSES:	80,400	-	72,488	7,912	90%	(5,488)
NET INCOME (LOSS):	(40,174)	-	(72,262)	32,088	180%	(38,784)

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83% OF YEAR COMPLETE

	FISCAL 2022 REFORECAST	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF REFORECAST	YEAR TO DATE VARIANCE FAVORABLE/(UNFAVORABLE)
PROFESSIONAL RESPONSIBILITY PROGRAM						
REVENUE:						
TOTAL REVENUE:	-	-	-	-		-
DIRECT EXPENSES:						
STAFF TRAVEL/PARKING	2,333	-	188	2,146	8%	-
STAFF MEMBERSHIP DUES	161	-	-	161	0%	-
LAW LIBRARY	610	47	466	144	76%	1,757
CPE COMMITTEE	3,723	-	-	3,723	0%	134
TOTAL DIRECT EXPENSES:	6,827	47	653	6,174	10%	5,036
INDIRECT EXPENSES:						
SALARY EXPENSE (1.41 FTE)	171,604	10,299	135,223	36,381	79%	7,781
BENEFITS EXPENSE	58,822	4,774	47,829	10,992	81%	1,189
OTHER INDIRECT EXPENSE	43,211	2,930	36,377	6,835	84%	(367)
TOTAL INDIRECT EXPENSES:	273,637	18,003	219,429	54,209	80%	8,602
TOTAL ALL EXPENSES:	280,465	18,050	220,082	60,382	78%	13,638
NET INCOME (LOSS):	(280,465)	(18,050)	(220,082)	(60,382)	78%	13,638

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83% OF YEAR COMPLETE

	FISCAL 2022 REFORECAST	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF REFORECAST	YEAR TO DATE VARIANCE FAVORABLE/(UNFAVORABLE)
PUBLIC SERVICE PROGRAMS						
REVENUE:						
DONATIONS & GRANTS	130,000	-	130,000	-	100%	21,667
TOTAL REVENUE:	130,000	-	130,000	-	100%	21,667
DIRECT EXPENSES:						
DONATIONS/SPONSORSHIPS/GRANTS	250,280	21,338	153,727	96,553	61%	54,839
STAFF TRAVEL/PARKING	2,700	-	188	2,512	7%	2,062
SURVEYS	100	-	-	100	0%	83
PRO BONO & PUBLIC SERVICE COMMITTEE	2,000	-	-	2,000	0%	1,667
STAFF CONFERENCE & TRAINING	1,200	-	-	1,200	0%	1,000
PRO BONO CERTIFICATES	2,000	-	1,655	345	83%	11
TOTAL DIRECT EXPENSES:	258,280	21,338	155,570	102,710	60%	59,663
INDIRECT EXPENSES:						
SALARY EXPENSE (1.30 FTE)	73,591	6,637	66,375	7,216	90%	(5,050)
BENEFITS EXPENSE	28,645	2,661	26,123	2,522	91%	(2,253)
OTHER INDIRECT EXPENSE	35,839	2,391	29,682	6,157	83%	184
TOTAL INDIRECT EXPENSES:	138,075	11,688	122,181	15,894	88%	(7,118)
TOTAL ALL EXPENSES:	396,355	33,026	277,751	118,604	70%	52,544
NET INCOME (LOSS):	(266,355)	(33,026)	(147,751)	(118,604)	55%	74,211

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83% OF YEAR COMPLETE

	FISCAL 2022 REFORECAST	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF REFORECAST	YEAR TO DATE VARIANCE FAVORABLE/(UNFAVORABLE)
PUBLICATION & DESIGN SERVICES						
REVENUE:						
TOTAL REVENUE:	-	-	-	-		-
DIRECT EXPENSES:						
SUBSCRIPTIONS	200	-	100	100	50%	67
IMAGE LIBRARY	4,100	-	4,100	-	100%	(683)
TOTAL DIRECT EXPENSES:	4,300	-	4,200	100	98%	(616)
INDIRECT EXPENSES:						
SALARY EXPENSE (0.89 FTE)	64,048	5,684	52,572	11,476	82%	801
BENEFITS EXPENSE	18,693	1,535	15,229	3,463	81%	348
OTHER INDIRECT EXPENSE	26,300	1,619	20,107	6,193	76%	1,810
TOTAL INDIRECT EXPENSES:	109,040	8,838	87,908	21,132	81%	2,959
TOTAL ALL EXPENSES:	113,340	8,838	92,108	21,233	81%	2,343
NET INCOME (LOSS):	(113,340)	(8,838)	(92,108)	(21,233)	81%	2,343

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83% OF YEAR COMPLETE

	FISCAL 2022 REFORECAST	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF REFORECAST	YEAR TO DATE VARIANCE FAVORABLE/(UNFAVORABLE)
REGULATORY SERVICES FTE						
REVENUE:	_____	_____	_____	_____	_____	_____
TOTAL REVENUE:	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
DIRECT EXPENSES:	_____	_____	_____	_____	_____	_____
STAFF CONFERENCE & TRAINING	7,500	-	-	7,500	0%	6,250
TOTAL DIRECT EXPENSES:	<u>7,500</u>	<u>-</u>	<u>-</u>	<u>7,500</u>	<u>0%</u>	<u>6,250</u>
INDIRECT EXPENSES:						
SALARY EXPENSE (2.78 FTE)	327,849	26,338	266,172	61,677	81%	7,036
BENEFITS EXPENSE	100,227	8,094	80,781	19,445	81%	2,741
OTHER INDIRECT EXPENSE	80,392	5,090	63,194	17,198	79%	3,799
TOTAL INDIRECT EXPENSES:	<u>508,467</u>	<u>39,521</u>	<u>410,147</u>	<u>98,320</u>	<u>81%</u>	<u>13,576</u>
TOTAL ALL EXPENSES:	<u>515,967</u>	<u>39,521</u>	<u>410,147</u>	<u>105,820</u>	<u>79%</u>	<u>19,826</u>
NET INCOME (LOSS):	<u>(515,967)</u>	<u>(39,521)</u>	<u>(410,147)</u>	<u>(105,820)</u>	<u>79%</u>	<u>19,826</u>

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83% OF YEAR COMPLETE

	FISCAL 2022 REFORECAST	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF REFORECAST	YEAR TO DATE VARIANCE FAVORABLE/(UNFAVORABLE)
SERVICE CENTER						
REVENUE:						
	_____	_____	_____	_____	_____	_____
TOTAL REVENUE:	-	-	-	-	-	-
DIRECT EXPENSES:						
	_____	_____	_____	_____	_____	_____
TRANSLATION SERVICES	8,500	438	6,016	2,484	71%	1,067
STAFF CONFERENCE & TRAINING	2,100	-	36	2,064	2%	1,714
TOTAL DIRECT EXPENSES:	10,600	438	6,052	4,548	57%	2,782
INDIRECT EXPENSES:						
SALARY EXPENSE (5.71 FTE)	357,171	31,326	297,941	59,230	83%	(298)
BENEFITS EXPENSE	135,691	10,890	108,324	27,368	80%	4,752
OTHER INDIRECT EXPENSE	169,061	10,462	129,899	39,162	77%	10,986
TOTAL INDIRECT EXPENSES:	661,923	52,679	536,163	125,760	81%	15,440
TOTAL ALL EXPENSES:	672,523	53,117	542,215	130,309	81%	18,221
NET INCOME (LOSS):	(672,523)	(53,117)	(542,215)	(130,309)	81%	18,221

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83% OF YEAR COMPLETE

	FISCAL 2022 REFORECAST	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF REFORECAST	YEAR TO DATE VARIANCE FAVORABLE/(UNFAVORABLE)
SECTIONS ADMINISTRATION						
REVENUE:						
REIMBURSEMENTS FROM SECTIONS	284,000	1,069	362,825	(78,825)	128%	126,158
TOTAL REVENUE:	284,000	1,069	362,825	(78,825)	128%	126,158
DIRECT EXPENSES:						
STAFF TRAVEL/PARKING	1,000	-	209	791	21%	624
SUBSCRIPTIONS	350	-	331	19	95%	(39)
SECTION/COMMITTEE CHAIR MTGS	500	-	-	500	0%	417
DUES STATEMENTS	4,593	-	4,593	-	100%	(766)
STAFF CONFERENCE & TRAINING	200	-	-	200	0%	167
STAFF MEMBERSHIP DUES	250	-	-	250	0%	208
TOTAL DIRECT EXPENSES:	6,893	-	5,133	1,760	74%	611
INDIRECT EXPENSES:						
SALARY EXPENSE (2.58 FTE)	145,181	9,887	118,076	27,105	81%	2,908
BENEFITS EXPENSE	60,412	4,736	47,168	13,244	78%	3,175
OTHER INDIRECT EXPENSE	76,400	4,730	58,726	17,675	77%	4,941
TOTAL INDIRECT EXPENSES:	281,993	19,353	223,969	58,024	79%	11,025
TOTAL ALL EXPENSES:	288,886	19,353	229,102	59,784	79%	11,636
NET INCOME (LOSS):	(4,886)	(18,284)	133,722	(138,608)	-2737%	137,794

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	FISCAL 2022 REFORECAST	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF REFORECAST	YEAR TO DATE VARIANCE FAVORABLE/(UNFAVORABLE)
SECTIONS OPERATIONS						
REVENUE:						
SECTION DUES	439,178	1,720	551,346	(112,168)	126%	185,364
SEMINAR PROFIT SHARE	147,494	20,785	162,000	(14,506)	110%	39,088
INTEREST INCOME	910	-	-	910	0%	(758)
PUBLICATIONS REVENUE	4,000	-	856	3,144	21%	(2,477)
OTHER	46,070	1,044	30,816	15,254	67%	(7,576)
CLE SECTION SPLITS PROJECTIONS	-	-	(101,660)	101,660		(101,660)
TOTAL REVENUE:	637,652	23,549	643,357	(5,705)	101%	111,980
DIRECT EXPENSES:						
DIRECT EXPENSES OF SECTION ACTIVITIES	612,229	21,443	132,861	479,368	22%	377,330
REIMBURSEMENT TO WSBA FOR INDIRECT EXPENSES	287,423	1,069	362,825	(75,402)	126%	(123,306)
TOTAL DIRECT EXPENSES:	899,652	22,512	495,686	403,966	55%	254,024
NET INCOME (LOSS):	(262,000)	1,037	147,671	(409,671)	-56%	366,004

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83% OF YEAR COMPLETE

	FISCAL 2022 REFORECAST	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF REFORECAST	YEAR TO DATE VARIANCE FAVORABLE/(UNFAVORABLE)
TECHNOLOGY						
REVENUE:						
	_____	_____	_____	_____	_____	_____
TOTAL REVENUE:	-	-	-	-	-	-
DIRECT EXPENSES:						
	_____	_____	_____	_____	_____	_____
CONSULTING SERVICES	110,000	1,238	45,675	64,325	42%	45,991
STAFF TRAVEL/PARKING	2,000	-	2,021	(21)	101%	(355)
STAFF MEMBERSHIP DUES	450	-	-	450	0%	375
TELEPHONE	85,000	6,556	63,388	21,612	75%	7,445
COMPUTER HARDWARE	65,000	(5,553)	48,261	16,739	74%	5,906
COMPUTER SOFTWARE	200,000	5,184	173,595	26,405	87%	(6,929)
HARDWARE SERVICE & WARRANTIES	55,000	-	45,352	9,648	82%	482
SOFTWARE MAINTENANCE & LICENSING	380,000	13,140	362,652	17,348	95%	(45,986)
COMPUTER SUPPLIES	5,000	-	3,103	1,897	62%	1,064
THIRD PARTY SERVICES	30,000	1,421	17,398	12,602	58%	7,602
STAFF CONFERENCE & TRAINING	10,000	-	-	10,000	0%	8,333
TRANSFER TO INDIRECT EXPENSES	(942,450)	(21,986)	(761,445)	(181,005)	81%	(23,930)
TOTAL DIRECT EXPENSES:	-	-	-	-	-	-
INDIRECT EXPENSES:						
SALARY EXPENSE (13.00 FTE)	1,428,681	116,803	1,041,034	387,648	73%	149,534
BENEFITS EXPENSE	386,935	31,620	316,435	70,500	82%	6,011
CAPITAL LABOR & OVERHEAD	(285,000)	(37,488)	(181,756)	(103,244)	64%	55,744
OTHER INDIRECT EXPENSE	355,776	23,804	295,543	60,233	83%	937
TOTAL INDIRECT EXPENSES:	1,886,393	134,739	1,471,255	415,138	78%	212,226
TOTAL ALL EXPENSES:	1,886,393	134,739	1,471,255	415,138	78%	212,226
NET INCOME (LOSS):	(1,886,393)	(134,739)	(1,471,255)	(415,138)	78%	100,739

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For the Period from July 1, 2022 to July 31, 2022

83% OF YEAR COMPLETE

	FISCAL 2022 REFORECAST	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF REFORECAST	YEAR TO DATE VARIANCE FAVORABLE/(UNFAVORABLE)
VOLUNTEER ENGAGEMENT						
REVENUE:	_____	_____	_____	_____	_____	_____
TOTAL REVENUE:	-	-	-	-		-
DIRECT EXPENSES:	_____	_____	_____	_____	_____	_____
VOLUNTEER SUPPORT	43,500	-	-	43,500	0%	36,250
STAFF MEMBERSHIP DUES	350	-	856	(506)	244%	(564)
STAFF CONFERENCE & TRAINING	2,500	-	1,090	1,410	44%	993
ABA DELEGATES	4,800	-	-	4,800	0%	4,000
TOTAL DIRECT EXPENSES:	51,150	-	1,946	49,204	4%	40,679
INDIRECT EXPENSES:	_____	_____	_____	_____	_____	_____
SALARY EXPENSE (0.60 FTE)	57,186	4,733	47,456	9,730	83%	199
BENEFITS EXPENSE	18,937	1,551	15,530	3,407	82%	251
OTHER INDIRECT EXPENSE	17,675	1,080	13,412	4,263	76%	1,317
TOTAL INDIRECT EXPENSES:	93,798	7,364	76,398	17,400	81%	1,767
TOTAL ALL EXPENSES:	144,948	7,364	78,344	66,605	54%	1,767
NET INCOME (LOSS):	(144,948)	(7,364)	(78,344)	(66,605)	54%	42,447

Washington State Bar Association

Statement of Activities

For the Period from July 1, 2022 to July 31, 2022

83% OF YEAR COMPLETE

	FISCAL 2022 REFORECAST	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF REFORECAST	YEAR TO DATE VARIANCE FAVORABLE/(UNFAVORABLE)
INDIRECT EXPENSES:						
SALARIES	12,186,114	977,324	9,982,935	2,203,179	82%	172,160
TEMPORARY SALARIES	387,465	19,353	310,988	76,477	80%	11,900
CAPITAL LABOR & OVERHEAD	(285,000)	(37,488)	(181,756)	(103,244)	64%	55,744
EMPLOYEE ASSISTANCE PLAN	4,800	-	4,000	800	83%	-
EMPLOYEE SERVICE AWARDS	1,840	-	945	895	51%	588
FICA (EMPLOYER PORTION)	805,818	74,330	763,739	42,079	95%	(92,224)
L&I INSURANCE	49,414	-	52,101	(2,686)	105%	(10,922)
WA STATE FAMILY MEDICAL LEAVE (EMPLOYER PORTION)	17,337	1,585	15,512	1,825	89%	(1,065)
MEDICAL (EMPLOYER PORTION)	1,603,294	126,279	1,272,441	330,853	79%	63,637
RETIREMENT (EMPLOYER PORTION)	1,233,481	99,238	998,506	234,975	81%	29,395
TRANSPORTATION ALLOWANCE	47,733	17,419	40,964	6,769	86%	(1,186)
UNEMPLOYMENT INSURANCE	70,000	6,058	65,135	4,865	93%	(6,802)
TOTAL SALARY & BENEFITS EXPENSE:	16,122,296	1,284,099	13,325,510	2,796,786	83%	221,224
WORKPLACE BENEFITS	45,000	614	14,863	30,136	33%	22,636
HUMAN RESOURCES POOLED EXP	99,058	11,170	65,285	33,773	66%	17,263
MEETING SUPPORT EXPENSES	5,000	323	4,112	889	82%	55
RENT	2,029,301	157,673	1,689,849	339,452	83%	1,235
PERSONAL PROP TAXES-WSBA	6,466	472	4,887	1,580	76%	502
FURNITURE, MAINT, LH IMP	16,719	1,378	18,040	(1,322)	108%	(4,108)
OFFICE SUPPLIES & EQUIPMENT	12,741	1,631	14,575	(1,834)	114%	(3,958)
FURN & OFFICE EQUIP DEPRECIATION	43,009	5,134	43,486	(477)	101%	(7,645)
COMPUTER HARDWARE DEPRECIATION	24,114	3,937	28,382	(4,268)	118%	(8,287)
COMPUTER SOFTWARE DEPRECIATION	80,904	7,805	83,328	(2,424)	103%	(15,908)
INSURANCE	238,839	30,824	210,663	28,176	88%	(11,630)
WORK HOME FURNITURE & EQUIP	62,658	1,867	24,372	38,286	39%	27,843
PROFESSIONAL FEES-AUDIT	40,000	-	33,000	7,000	83%	333
PROFESSIONAL FEES-LEGAL	250,000	4,532	101,104	148,896	40%	107,230
TELEPHONE & INTERNET	21,600	340	9,297	12,303	43%	8,703
POSTAGE - GENERAL	24,000	798	14,636	9,364	61%	5,364
RECORDS STORAGE	30,000	3,582	22,009	7,990	73%	2,990
BANK FEES	48,000	2,701	40,768	7,233	85%	(767)
PRODUCTION MAINTENANCE & SUPPLIES	16,692	293	7,507	9,185	45%	6,403
COMPUTER POOLED EXPENSES	942,450	21,986	761,445	181,005	81%	23,930
TOTAL OTHER INDIRECT EXPENSES:	4,036,551	257,062	3,191,609	844,943	79%	172,184
TOTAL INDIRECT EXPENSES:	20,158,848	1,541,161	16,517,119	3,641,729	82%	281,921

Washington State Bar Association

Statement of Activities

For the Period from July 1, 2022 to July 31, 2022

83% OF YEAR COMPLETE

SUMMARY PAGE	FISCAL 2022 REFORECAST	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE
ACCESS TO JUSTICE	(201,369)	(13,757)	(144,292)	(57,077)
ADMINISTRATION	(1,028,371)	(44,839)	(814,466)	(213,905)
ADMISSIONS/BAR EXAM	19,267	(94,177)	223,051	(203,784)
ADVANCEMENT FTE	(346,495)	(27,742)	(284,719)	(61,776)
BAR NEWS	(84,322)	10,436	(3,349)	(80,973)
BOARD OF GOVERNORS	(510,064)	(57,804)	(373,567)	(136,497)
CLE - PRODUCTS	1,041,058	90,357	1,004,154	36,904
CLE - SEMINARS	(268,958)	(10,730)	(258,065)	(10,893)
CLIENT PROTECTION FUND	157,238	(9,726)	517,581	(360,343)
CHARACTER & FITNESS BOARD	(68,720)	(3,343)	(15,063)	(53,658)
COMMUNICATIONS	(722,688)	(50,149)	(538,012)	(184,676)
COMMUNICATIONS FTE	(225,526)	(18,390)	(184,342)	(41,184)
DESKBOOKS	(115,525)	(16,912)	(112,258)	(3,267)
DISCIPLINE	(5,757,549)	(460,160)	(4,677,764)	(1,079,785)
DIVERSITY	(297,420)	(29,651)	(129,834)	(167,586)
EJD FTE	(191,583)	(16,971)	(174,642)	(16,941)
FOUNDATION	(132,430)	(10,244)	(103,521)	(28,909)
HUMAN RESOURCES	(459,945)	(38,368)	(381,776)	(78,169)
LAW CLERK PROGRAM	90,828	(9,875)	95,650	(4,822)
LEGISLATIVE	(253,110)	(19,073)	(192,564)	(60,547)
LEGAL LUNCHBOX	(6,236)	(1,602)	7,545	(13,781)
LICENSE FEES	16,512,089	1,387,536	14,065,989	2,446,100
LICENSING AND MEMBERSHIP	(212,549)	(10,843)	(131,601)	(80,947)
LIMITED LICENSE LEGAL TECHNICIAN	(66,052)	(9,001)	(55,921)	(10,131)
LIMITED PRACTICE OFFICERS	99,307	4,957	94,318	4,988
MANDATORY CLE ADMINISTRATION	694,577	27,366	730,509	(35,932)
MEMBER WELLNESS PROGRAM	(201,441)	(10,837)	(149,882)	(51,559)
MINI CLE	(106,712)	(7,597)	(80,903)	(25,808)
MEMBER SERVICES & ENGAGEMENT	(419,570)	(30,969)	(280,808)	(138,762)
NEW MEMBER EDUCATION	(556)	(6,039)	(31,827)	31,271
OFFICE OF GENERAL COUNSEL	(979,310)	(76,854)	(807,669)	(171,641)
OFFICE OF THE EXECUTIVE DIRECTOR	(596,047)	(31,633)	(443,733)	(152,314)
OGC-DISCIPLINARY BOARD	(308,536)	(22,122)	(212,224)	(96,311)
PRACTICE OF LAW BOARD	(79,261)	(5,474)	(58,928)	(20,334)
PRACTICE MANAGEMENT ASSISTANCE	(40,174)	-	(72,262)	32,088
PROFESSIONAL RESPONSIBILITY PROGRAM	(280,465)	(18,050)	(220,082)	(60,382)
PUBLIC SERVICE PROGRAMS	(266,355)	(33,026)	(147,751)	(118,604)
PUBLICATION & DESIGN SERVICES	(113,340)	(8,838)	(92,108)	(21,233)
REGULATORY SERVICES FTE	(515,967)	(39,521)	(410,147)	(105,820)
SECTIONS ADMINISTRATION	(4,886)	(18,284)	133,722	(138,608)
SECTIONS OPERATIONS	(262,000)	1,037	147,671	(409,671)
SERVICE CENTER	(672,523)	(53,117)	(542,215)	(130,309)
TECHNOLOGY	(1,886,393)	(134,739)	(1,471,255)	(415,138)
VOLUNTEER EDUCATION	(144,948)	(7,364)	(78,344)	(66,605)
INDIRECT EXPENSES	20,158,848	1,541,161	16,517,119	3,641,729
TOTAL OF ALL	(20,945,815)	(1,605,029)	(19,861,415)	(1,084,400)
NET INCOME (LOSS)	786,968	63,869	3,344,296	(2,557,329)

**Washington State Bar Association
Analysis of Cash Investments
As of July 31, 2022**

Checking & Savings Accounts

General Fund

Checking

<u>Bank</u>	<u>Account</u>	<u>Amount</u>
Wells Fargo	General	\$ 935,032

Total

Investments

	<u>Rate</u>	<u>Amount</u>
Wells Fargo Money Market	0.12%	\$ 11,961,814
UBS Financial Money Market	0.07%	\$ 1,082,574
Morgan Stanley Money Market	0.13%	\$ 3,364,599
Merrill Lynch Money Market	0.09%	\$ 1,986,624
Certificate- Treasury	2.30%	\$ 248,481

General Fund Total \$ 19,579,124

Client Protection Fund

Checking

<u>Bank</u>	<u>Amount</u>
Wells Fargo	\$ 371,090

Investments

	<u>Rate</u>	<u>Amount</u>
Wells Fargo Money Market	0.10%	\$ 4,417,104
Morgan Stanley Money Market	0.09%	\$ 107,129

Client Protection Fund Total \$ 4,895,323

Grand Total Cash & Investments \$ 24,474,447